

Jessica Draper

10:59 AM (9 hours ago)

to me, Alison, Brian, Joy, Lauck, Mark, Scott, Virginia, dsander, christywitters, roger, stephenackerman72, bardrhill

Hello Josh, Planning Commission, and Selectboard Members,

Please see Steve Bower's message below regarding the vehicle charging grant.

-Jess

----- Forwarded message -----

From: Steven Bower <steve@worldvista.net>

Date: Tue, Dec 11, 2018 at 5:41 PM

Subject: EVSE grant fee structure and proposed 1-cent subsidy

To: <jdraper@richmondvt.gov>

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Hello Planning Commission, Select Board, Town Manager:

Virginia let me know the PC was generally unhappy that the EVSE grant application was submitted with a proposed 1 cent/kWh subsidy for the charging fee. I'll take responsibility for that - that was my individual decision in the closing days before the grant was due, and I should have let the PC know.

At the time I met with the PC (Nov 7), the "Overview" doc noted that the fee structure "is still to be determined based on Select Board and other input" - but the draft language at that point didn't mention the possibility of subsidizing the charging fee. The grant selection process gives points for a project that subsidizes the charging fee in the first year.

A complication is that after meeting with the PC, I learned that it's not currently legal in GMP territory to have a \$/kWh fee, because that technically makes you a utility. There's a current Public Utilities Commission (PUC) docket to address that, but we don't know if it will be decided in time for this project, or if they will even allow a \$/kWh fee. If not, then we would have a \$/hour fee, which is not proportional to energy use since different cars charge at different kWh/hour rates. If the PUC doesn't allow a \$/kWh fee, then it wouldn't be practical to subsidize the fee - we would have to pick a high enough \$/hour fee to assure collecting enough to cover actual kWh used (well above a 1 cent/kWh equivalent).

Given that complication, and to satisfy the grant requirements and help our chances of being selected, I drafted language for the Select Board that would include subsidizing the charging fee by 1 cent/kWh of energy, if the PUC allows it. The town pays 15.5 cents/kWh, so the fee to the person charging the car

would be 14.5 cents/kWh. We can only roughly estimate how much the charging stations will be used in year 1, but my best guess is that a 1-cent subsidy would cost the Town on the order of \$50 to \$200 for the first year - after which the Town can remove the subsidy.

Again, my apologies for not having brought that change to your attention - the grant required a lot of detail, and I took on the task of finalizing it for submission. I'll share this with the Climate Action/Energy Committee, and we'll make sure to keep things fully transparent on any future projects we may have that involve the PC.

~~Steve