



## City Council Report

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**File ID:** 2019-00886

June 25, 2019

**Consent Item 47**

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**Title:** Participation in the California Electric Vehicle Infrastructure Project (CALeVIP)

**Location:** Citywide

**Recommendation:** Adopt a Resolution authorizing the City Manager or the City Manager's designee to apply for and accept reimbursements from the Center for Sustainable Energy (CSE) California Electric Vehicles Infrastructure Project (CALeVIP) in an amount not to exceed \$640,000 (CIP Reimbursable Fund, Fund 3702) for the replacement of existing and installation of new electric vehicle (EV) charging infrastructure equipment at City-owned facilities and property.

**Contact:** Jenna Hahn, Sustainability Analyst, (916) 808-5016; Jennifer Venema, Sustainability Manager, (916) 808-1859; Department of Public Works

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Resolution

## Description/Analysis

**Issue Detail:** The Center for Sustainable Energy's (CSE) California Electric Vehicle Infrastructure Project (CALeVIP) has a program for rebates for electric vehicle infrastructure on a first-come, first-served basis. The City seeks to apply and accept up to \$640,000 in rebates from the Center for Sustainable Energy's (CSE) California Electric Vehicle Infrastructure Project (CALeVIP). The CALeVIP rebates will offset costs to replace old, existing City-owned Electric Vehicle (EV) chargers at City-owned facilities and install additional EV charging connectors at existing sites, where feasible alongside the replacement of existing equipment.

Many of the City's existing EV chargers are at the end of their useful life with technical limitations that increase costs to the City. Replacement of chargers will allow the City to recover costs of public EV charging at City facilities and expand charging access for the City fleet, the general public, and customers of City parking facilities.

With City Council authorization, the City plans to use CALeVIP rebates to support the following projects:

- Replacement of EV chargers at parking facilities for public use, with limited new chargers where feasible with site layout and electrical capacity;
- Replacement of EV chargers for City fleet vehicles, with potential for new EV charger installations to support the fleet where needed;
- Other priority City facilities for public charging; and
- Potential support for future projects through the curbside charging pilot.

City staff are still confirming specific project budgets and scopes. This report would authorize staff to reserve up to \$640,000 of CALeVIP funds, the maximum rebate amount through the program. Early authorization by the City Council is necessary to ensure that the City can reserve funds prior to allocation of CALeVIP funding to other projects. The CALeVIP program has experienced a high application rate, with a fast uptake of rebate reservations for eligible projects.

**Policy Considerations:** The proposed action implements existing City goals (Motion No. 2017-0374 and Resolution No. 2017-0478), while significantly reducing the costs associated with installing new or replacement charging infrastructure. Specifically, the EV Strategy calls for the City to replace existing City-owned EV charging equipment with networked equipment to: encourage turnover at public charging infrastructure by phasing in requirements that charging be provided as a paid service (EV Strategy, Action 1.4.4), support public and employee charging at City facilities (EV Strategy, Action 4.1), and improve availability and utilization of chargers at City parking facilities (EV Strategy, Action 4.2). Additionally, the

Strategy aims to support financially sustainable EV programs and ensure public spending on EV charging infrastructure balances charging demands, advances new technologies, or incentivizes EV rider trips.

**Economic Impacts:** None

**Environmental Considerations:** The proposed action is a fiscal and administrative activity that is not a project under the CEQA Guidelines section 15378 (b)(2) and (4). The types of projects eligible for reimbursement are replacement or reconstruction of existing facilities and are exempt from environmental review under CEQA Guidelines sections 15301 and 15302.

**Rationale for Recommendation:** Replacing existing EV charging infrastructure at City facilities will allow for better operations and management of both public and fleet EV charging stations. Rebates will be used mostly for the replacement of outdated charging infrastructure at City facilities; however, the City plans to also install new chargers at prioritized locations. Additional charging stations are necessary to support the City's goals for supporting EV adoption with increased charging access. Access to rebates substantially lowers the City's cost to install such infrastructure.

As of January 2019, the City owns and operates 120 EV chargers at City facilities, 72 of which are available for public or employee charging and 48 are available for fleet charging. Only 28% of City-owned EV charger are networked and provide access to accurate usage, performance data or operational status. Many are nearing the end of their useful life and/or have parts or services/technology that is being phased out. Installing and upgrading EV chargers at City facilities to networked chargers would help the City meet many of its EV-related goals, including: (1) increasing availability and utilization of EV chargers, (2) having the capability to potentially recover program and electricity costs, (3) collecting real-time EV charging data to improve decision making and inform infrastructure planning, and (4) responding to maintenance needs and allocating billing to appropriate City departments.

The City may also need to receive rebates on behalf of a third party responsible for installing, operating and maintaining Direct Current (DC) fast chargers in the public right of way; in this case, the City will provide any applicable rebates to the third party which will partially reimburse their eligible expenses. Highly visible curbside chargers can provide charging in dense areas of downtown where charging options are limited, and for residents without a garage or dedicated off-street parking, further expanding access of charging infrastructure to support a more diverse array of EV drivers. Staff is recommending that the DC fast chargers rebate not exceed \$320,000, 50% of the potential rebates.

**Financial Considerations:** By accessing CALeVIP funds, the City expects rebates to fund between 60 and 80 percent of the cost of design and installation of EV charger replacements and new installations. Rebates can also cover networking fees. By requesting City Council authorization for the full amount, the City can install replacement and new EV chargers at priority sites.

If rebates are received, staff will return to City Council for authorization to appropriate the funding to specific projects involving the replacement of existing and installation of new EV charging infrastructure equipment. Staff may seek City Council approval for additional replacements if more rebates are needed, feasible, and still available after the first round of installations at City-owned properties.

**Local Business Enterprise (LBE):** Not applicable.

**Background:** In April 2017, the California Energy Commission (Energy Commission) approved the Center for Sustainable Energy (CSE) to design and implement up to \$200 million in electric vehicle charger incentive projects throughout California. The Sacramento County Incentive Project, launched in April 2019, is the third regional incentive project under the California Electric Vehicle Infrastructure Project (CALeVIP), following the Southern California Incentive Project and the Fresno County Incentive Project.

The Sacramento County Incentive Project promotes easy access to zero-emission vehicle infrastructure by offering \$14 million in rebates for the purchase and installation of eligible Electric Vehicle (EV) chargers in Sacramento County. \$7.7 million in rebates is available for Level 2 EV chargers, and \$6.3 million is available for DC fast chargers. This equates to funding for approximately 1,184 - 1,540 Level 2 EV chargers and 78 - 90 DC fast chargers in Sacramento County (eligible equipment that is installed in a disadvantaged community and/or multi-unit dwelling receive higher rebate amounts). The rebates can be used for design, engineering, utility service requests, installation, and networking service agreements; rebates are reserved on a first-come, first-served basis. Available funds for DC fast chargers, especially, have been reserved at unprecedented rates.

## **RESOLUTION NO. 2019-**

Adopted by the Sacramento City Council

### **AUTHORIZE THE CITY OF SACRAMENTO TO ACCEPT REBATES FROM THE CENTER FOR SUSTAINABLE ENERGY'S (CSE) CALIFORNIA ELECTRIC VEHICLE INFRASTRUCTURE PROJECT (CALEVIP) TO BE USED FOR REPLACEMENT OF EXISTING AND INSTALLATION OF NEW ELECTRIC CHARGING STATIONS AT CITY-OWNED FACILITIES**

#### **BACKGROUND**

- A. The Center for Sustainable Energy (CSE) California Electric Vehicle Infrastructure Project (CALeVIP) is offering rebates to be used to replace/upgrade existing electric vehicle (EV) charging infrastructure equipment and to install additional charging stations where feasible.
- B. Many of the City's existing EV chargers are at the end of their useful life and/or have technical limitations. Replacement of chargers will allow the City to recover costs of public EV charging at City facilities and expand charging access for the City fleet, the general public, and customers of City parking facilities. Rebates will be used mostly for the replacement of outdated charging infrastructure at City facilities; however, the City also plans to install new chargers at prioritized locations. Efficient and additional charging stations are necessary to support the City's goals for supporting EV adoption with increased charging access.
- C. With Council authorization, the City plans to use CALeVIP rebates to support the following projects:
  - Replacement of EV chargers at parking facilities for public use, with limited new chargers where feasible with site layout and electrical capacity.
  - Replacement of EV chargers for City fleet vehicles, with potential for new EV charger installations to support the fleet where needed
  - Other priority City facilities for public charging
  - Potential support for future projects through the curbside charging pilot – negotiation of an agreement is currently underway
- D. Efficient, networked EV chargers are necessary to meet current and future EV fleet operational needs and public charging demands at City-owned facilities.
- E. As of January 2019, only 28% of City-owned EV chargers are networked (connected to the internet through a service provider) and provide access to accurate usage, performance data or operational status. Installing and upgrading EV chargers at City facilities to networked chargers would help the City meet many of its EV-related goals, including: (1) increasing availability and utilization

of EV chargers, (2) having the capability to recover program and electricity costs, (3) collecting real-time EV charging data to improve decision making and inform infrastructure planning, and (4) responding to maintenance needs and allocating billing to appropriate City departments.

- F. The California Electric Vehicle Infrastructure Project (CALeVIP) is implemented by the Center for Sustainable Energy for the California Energy Commission. The Sacramento County Incentive Project, launched in April 2019, promotes easy access to zero-emission vehicle infrastructure by offering \$14 million in rebates for the purchase and installation of eligible EV chargers in Sacramento County (all chargers must be networked). \$7.7 million in rebates is available for Level 2 EV chargers, and \$6.3 million is available for DC fast chargers. This equates to funding for approximately 1,184 – 1,540 Level 2 EV chargers and 78 – 90 DC fast chargers in Sacramento County (eligible equipment that is installed in a disadvantaged community and/or multi-unit dwelling receive higher rebate amounts).
- G. By accessing CALeVIP funds, the City expects rebates to fund between 60% - 80% for the cost of design and installation of EV charger replacements and new installations. CALeVIP rebates can be used for design, engineering, utility service requests, installation and networking service agreements; rebates are reserved on a first-come, first-served basis. Available funds for DC fast chargers, especially, have been reserved at unprecedented rates.
- H. This recommendation is consistent with the City of Sacramento's EV Strategy (Motion 2017-0374) and the Fleet Sustainability Policy (Resolution No. 2017-0478).
- I. If rebates are received, staff will return to City Council for authorization to appropriate the funding to specific projects involving the replacement of existing and installation of new EV charging infrastructure equipment.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or the City Manager's designee is authorized to apply for and accept reimbursements from the Center for Sustainable Energy (CSE) California Electric Vehicle Infrastructure Project (CALeVIP) in an amount not to exceed \$640,000 (CIP Reimbursable Fund, Fund 3702) for the replacement of existing and installation of new electric vehicle (EV) charging infrastructure equipment at City-owned facilities and property.