

Item 2025-0005: Electric Vehicle Charging Policy

- **Metro has an expanding electric vehicle (EV) Charger network**
- **Demand for EV Chargers is increasing as patrons and employees are buying or leasing EVs**
- **Metro owns and operates different types of electric vehicle service equipment (EVSE): 1) employee charging, 2) non-revenue fleet charging, and 3) public charging (including park-and-rides)**
- **The Need for an EV Charger Policy**
 - Clarifies and standardizes Metro's practice for operating and maintaining its growing EVSE network
 - Align EVSE use revenues and costs, aligns EV Charger pricing with state regulations
- **RECOMMENDATION: *ADOPT Metro Electric Vehicle (EV) Policy***

Proposed EV Charger Policy and Pricing Elements

EV Charging Policy

- Standards pertaining to the use and availability of public, employee, and non-revenue fleet EVSE.
- Rules with respect to the duration of EV charging for short-term and long-term use.
- Metro's rights and responsibilities with respect to updating established rates, operational control, and safety protocols for all Metro EVSE.
- Rules and limitations with respect to misuse, misappropriation, liability, and damages for all Metro EVSE.

Proposed EV Charging Pricing Considers:

- The existing fee structure and anticipated annual gross and net revenues.
- The proposed time-of-use fee structure and anticipated annual gross and net revenues.



Current and Proposed EV Charger Pricing Comparison

Rate	Pricing Structure	Driver Fee Revenue, annual per stall	Electricity and O&M Costs, annual per stall	Net Operating Revenue (Cost)	Net Revenue / Operating Cost per stall	Charger Replacement, annual per stall ⁴	LCFS Credit Revenue, annual per stall ⁵
Current Pricing¹	\$1/hour Capped at \$3	\$769	\$2,999	\$(2,230)	-74%	\$444	\$290
Proposed Time-of-Use^{2, 3}: 10a-8p Peak	\$0.34/kWh Off-Peak (all other hrs) \$0.49/kWh Peak (10am – 8pm)	\$3,032	\$2,999	\$33	+1%	\$444	\$290

- 1) Current pricing structure results in under-collection of revenue compared to electricity and O&M costs. Current structure also creates significant variability in real price per energy used depending on actual length of charging session due to \$3 cap.
- 2) Proposed pricing model aligns with current LA County charger time-of-use prices. Metro time-of-use periods set to align with LADWP peak hours.
- 3) The peak (10 a.m. - 8 p.m.) and off-peak (8 p.m. - 10 a.m.) periods applied to the proposed pricing structure are based on the Los Angeles Department of Water and Power's (LADWP) weekday Electric Time-of-Use Residential Rates. The periods are aligned with LADWP's as they most closely reflect when employees and users charge their vehicles at Metro EVSE (i.e., during the day), and because most Metro EVSE fall within LADWP's service area.
- 4) Estimated based on charger replacement and installation cost, amortized over 10-year equipment life.
- 5) In addition to driver fee revenues, Metro earns Low Carbon Fuel Standard credits for the electricity dispensed at its EV charging stations. Due to the variability of LCFS revenues, this value is not included in the "Driver Fee Revenue" column or "Net Operating Revenue" values. In addition, per a previous Board Motion, up to 80% of LCFS revenues would be redirected towards the Zero Emissions Bus Program. Staff will regularly review this proposed EV Charger Policy and other operational metrics, including utilization, pricing, and other factors, to consistently optimize revenues program-wide.

