

Electric Vehicle Council Meeting Summary

October 1, 2013

Welcome

Deputy Secretary Wilson, as the new Chair of EVIC, led introductions of new and returning members. New member Mr. Tim Davis, representing MML – rural region, was in attendance. Mr. Michael Krauthamer from NRG attended for Steve Arabia.

Public Comments and Discussion

There were no comments from the public.

Next were a series of presentations and updates on topics requested by Council members. Highlights of those presentations are included below and presentations are attached.

Presentation on Nissan's EV experience by Tracy Woodard, Director of Government Affairs for Nissan

- The Leaf has been on sale since 2010.
- Data collected by Nissan shows that Leaf driver habits are essentially the same as drivers of conventional gas-powered automobiles.
- According to Nissan surveys, reasons cited by consumers for not purchasing a Leaf are: #1 Price, #2 Range anxiety and #3 Not enough public charging infrastructure.
- Nissan's marketing has focused on starting adding infrastructure at urban centers and working outwards. They have also focused on key corridors such as Washington DC to Baltimore.
- They are finding it necessary to build "range confidence" to increase sales
- Leaf Success so far:
 - Leaf sales in Maryland are up 23% year over 2012
 - Atlanta has sold more Leafs in last year than any other city. (A possible explanation for this is Atlanta's \$5,000 tax credit).
- Nissan's research indicates that people who buy an electric vehicle focus on the "Total Cost of Ownership", rather than the purchase price or concern for the environment.
- Encouraging employers to put in chargers is important for people who may not be able to charge at home due to multi-family dwelling issues.

Questions/comments

- Q: Has the Leaf been sold to governments for fleet purchases?
 - A: Not really as a major challenge is that municipalities (or counties in Maryland) cannot take advantage of the federal tax credit.
- Q: How many chargers do you need per electric vehicle?
 - A: Typically a 1 - 1.5 ratio will work. Attachment rate (number of chargers in use) should be up around 20%. Increasing visibility through signage is also important and a low cost effort.
- Q: What support does Nissan provide to dealers?
 - A: Originally dealers needed to be certified by Nissan to sell the Leaf. They needed to agree to install charging stations, seller and maintenance training and to purchase other specialized equipment. There is a need now they see to go back

and work with dealers so they are prepared to sell the Leaf as any other car on their lot.

- NRG is building a DC Quick-Charging network. Trying to compliment Nissans work to make consumers aware of all the infrastructure out there.
- NRG price plans now include unlimited and a range of options for pay-as-you-go.

Presentation on Financing for Alternative Fuel Vehicles, Sarah Dougherty, Center for Climate and Energy Solutions (CCES)

- CCES is preparing a research paper on Wall Street financing for electric vehicle (and other alternative vehicle) infrastructure as the era of federal and state grant subsidies is winding down and finding alternative financing vehicles will be critical to the success of these industries.
- By the end of next year, the research team will have:
 - identified financial barriers to benefits;
 - prepared two case studies;
 - developed innovative business models; and
 - created strategic plans.
- They have an alternative fuel vehicle (AFV) Advisory Group that includes:
 - manufacturers;
 - reps from states; and
 - financial consultants.
- They have identified market barriers private finance can address:
 - higher upfront cost;
 - some legal and regulatory hurdles;
 - consumer risk aversion to new technology; and
 - extended payback time for fueling infrastructure investments.
- And market barriers it cannot address:
 - when an AFV or fueling site is uneconomical (i.e., New York City where kWh exceeds gas price equivalent);
 - consumer education;
 - regulatory restriction; and
 - industry standardization.
- Some barriers apply specifically to private investors as they affect the cost of capital:
 - legal, regulatory and institutional barriers;
 - information-related barriers;
 - risk; and
 - scale.

- They are looking to strategies employed in the building industry (solar, energy savings performance contracts) to use as models.
- Green banks are another model that could be applied to AFV infrastructure:
 - leverage public money to attract larger private investment; and
 - reduce risk making it possible for institutional investors such as pension funds to participate.

Working Group Updates

Workplace Charging, Fred Hoover (MEA)

- They have created two subcommittees
- Had one meeting to get an overview of issues involved
- Looking for possible candidate sites for a demonstration
- Doing outreach to US Department of Environment to participate in future meeting

Local Government Interface, Kathy Kinsey (MDE)

- Preparing a presentation on urban charging and the need for local governments to review zoning laws, building codes and to start requiring new development have EV charging stations
 - Had meeting at Maryland Association of County Officials (MACO) offices
 - Have a presentation scheduled at MDP's Planning Directors Roundtable (10/16)
 - They are looking at ways the State can incentivize local governments, i.e., some states have provided grants or financial incentives to local governments for adopting EV – friendly codes. Another example is setting state fleet goals.
 - Kathy noted that many manufacturers are petitioning EPA to roll back ZEV mandates for East Coast states where there is concern that they are not as far along in infrastructure rollout as California.
 - She also noted the potential for a Department of Defense (DOD) EV program in ZEV states. This may provide an opportunity for state and local governments to piggyback on the DOD procurement.
- The Chair suggested that timing may be right to present at MACO and Maryland Municipal League (MML) conferences [MDE is coordinating with MACO for their summer conference]
 - The Chair also requested to have more detailed update on DOD procurement at the next meeting.

Utility EV-charging Pilots – Updates

- **PEPCO Pilot, Bill Gausman**
 - Proposing program to split cost with homeowner for installing Smart charger
 - Also put out proposal for a rider to allow the consumer to purchase clean energy for the charger.
 - Also looking at a second meter to allow for a special rate for energy used by the EV charger.
 - Want insight into what incentives will encourage users to charge at off-peak times

- Charging off peak using PIV only will save Leaf owner \$276 a year
- Plan would be to monitor data for two years and then offer a tariff to all customers
- Program has been approved, waiting on final approval of tariffs by commission. Then the program can be marketed.
- **BGE Pilot, John Murach**
 - BGE is not as far along as PEPCO in the installation of smart meters, so any rate design will have to work with old model meters as well as smart meters.
 - Rate is voluntary, consumers can leave at anytime
 - Close to having outreach materials
 - Metrics
 - Commission asked BGE to survey non-participants, and BGE wants to reach out to the 380 people identified by MVA data for a non-participant survey. BGE has asked that MVA determine whether the MVA data can be used for this purpose.
 - One point that MVA should make is that the Public Services Commission has required BGE to do this non-participant survey.

Legislation

The final agenda item was a call for legislative actions.

Kristen Weiss went over the timeline for submitting any legislation from the EVIC for the upcoming session and asked if members had any concepts they were ready to share.

Michael Krauthamer from NRG raised the issue of charging in condominium developments. Under the Maryland Condominium Act each condominium association is unique. This has the effect of making the installation of charging infrastructure extremely (and perhaps needlessly) complex. They would advocate legislation similar to that of Oregon that would mandate that Condominium Association's allow the installation of equipment. Kathy Kinsey noted that this issue had come up in the local government discussions last year, but that it was likely that extensive advance outreach would be needed to pass meaningful legislation on this.

It was agreed that a workgroup would develop a plan for going forward with this concept. At a minimum, the issue will be included as a topic in the EVIC's Interim Report. The workgroup will include: Fred Hoover, Chris Rice, Kathy Kinsey and Steve Arabia.

Chris Rice suggested legislation to raise the number of EVSEs that businesses are allowed to receive a credit for.

The EVIC agreed that legislation should be put forward to extend the existing incentives for an additional year.

Next EVIC Meeting: November 13, 2013, 2:00 PM.