## City of Mississauga

# **Corporate Report**



Date: January 23, 2025

To: Chair and Members of General Committee

From: Jodi Robillos, Commissioner of Community Services

Meeting date:
March 5, 2025

# **Subject**

**Electric Vehicle (EV) Charging Fee Policy** 

### Recommendation

That the Draft Electric Vehicle (EV) Charging Fee Policy, attached as Appendix 1 to the Corporate Report entitled "Electric Vehicle (EV) Charging Fee Policy" dated January 29, 2025 from the Commissioner of Community Services be approved.

# **Executive Summary**

- The City currently has 30 public Electric Vehicle Charging Stations (EVCS), with more planned in 2025. The City does not currently charge a fee for the use of EV charging stations.
- A new Electric Vehicle (EV) Charging Fee Policy is required to establish how the City will levy fees for use of publicly accessible EV charging stations.
- Implementing user fees will enable the City to recover costs associated with operating and maintaining these units and to encourage usage turn over and limit excessive periods of charging.
- Fees will be set out in the Traffic By-Law and the User Fees and Charges By-Law (and updated annually).
- Fees are based on the actual amount of electricity used (e.g. kw/h).

# **Background**

In June 2022, the City of Mississauga endorsed the Peel Zero Emissions Vehicle Strategy to support the adoption of zero emissions vehicles (ZEVs) throughout the community. The Strategy focuses on five key action pathways including: (1) Expanding Access to Public Electric Vehicle (EV) Charging Stations, (2) Enhancing ZEV Education and Awareness, (3) Enhancing Private Investments into ZEVs and Charging Infrastructure, (4) Embedding ZEV Infrastructure

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Considerations in the Planning Process, and (5) Advocating, Implementing, and Reporting Collectively. The City has been particularly successful in its implementation of actions aligned with Expanding Access to Public EV Charging Stations and Enhancing ZEV Education and Awareness. Highlights in these areas include the installation of 30 public EV charging stations, as well as hosting Plug N' Drive's Mobile Electric Vehicle Education Trailers (MEETs) to facilitate test drives and community education.

EV adoption across the Region of Peel continues to increase. The total number of registered EVs in Mississauga has grown from ~350 in 2016 to over 7,000 in 2023 which equals a 2000% increase.

#### **Present Status**

The City of Mississauga currently owns and operates 30 public Level 2 EV charging stations, with more stations being added every year. All City owned public charging stations currently provide Level 2 charging free-of charge. The initial reason for offering free charging was to encourage early adoption and uptake of EVs within the City which up until recent years were not widely owned by City residents. By continuing to offer free charging in the current climate with expanded EV ownership, the City is facing issues of excessive usage and EV charging station misuse. To tackle these issues, and to align with municipal and industry standards, it is recommended that the City introduce a fee-based charging structure across all public EV charging stations. In addition to recovering the costs associated with ongoing operations and maintenance of the units, this will also encourage user turn over and excessive usage.

Fees will be set out in the Traffic By-law and User Fees and Charges By-law and will be updated annually. When determining fees, consideration is given to factors including, but not limited to, recovery of:

- Maintenance costs
- Labour costs
- Utility costs

#### Comments

Proposed user fees are based on a cost-recovery model and are in addition to any charges for paid parking that may apply. Fees will be charged based on the amount of energy that is consumed and are assessed by kilowatt hour (Kwh).

Note: At certain locations (e.g. P3 at the Central Library Parking Garage), due to technology limitations, it is not possible to charge fees based on the amount of energy that is consumed. In such instances, fees will be charged based on the duration of use of the EVCS and assessed hourly or part thereof.

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EVs that are not actively charging are subject to an idle fee, which is assessed hourly or part thereof, after a 30-minute grace period. Parking in a space dedicated to an EVCS is prohibited unless the parked vehicle is actively charging. After charging is complete, EVCS users are expected to promptly move their vehicle to allow other users to access EVCS. Users shall not leave their vehicle parked in a dedicated EVCS space for more than 10 consecutive hours.

The Traffic By-Law is currently being updated to include definitions of misuse, in line with the EV Charging Act under the Highway Act, which will allow for the City to issue fines of \$125 for improper use. Improper use refers to one of the following conditions:

- A non-EV is parked at a designated parking spot;
- An EV is not actively charging (e.g. is plugged in to the EVCS);
- An EV has been parked for more than 10 consecutive hours.

## **Engagement and Consultation**

The City's EV Working Group and Steering Committee has been engaged throughout the development of the Policy and provided input at key milestones. Staff have developed a plan with Strategic Communications to inform residents, businesses, City staff and others that may be impacted in advance of fee implementation. Signage will also be installed (or updated as necessary) at all public City-owned charging stations.

Mississauga has received the support of multiple grant applications and funding from the federal and provincial governments, including, most recently, the Zero Emission Vehicle Infrastructure Program (ZEVIP) funding from Natural Resources Canada to help offset the upfront capital investment required to install EVCS.

The user fees will be collected through the EV charging station vendors' mobile app. The EV driver inputs their payment information in the mobile app and is then linked to the stations' management network. The EVCS vendor will collect and process payments through their management software. Revenues will be deposited monthly or quarterly (depending on the EVCS vendor) into a City of Mississauga bank account.

# **Financial Impact**

The City's Environment Section has done considerable research on market trends and municipal best practices and is recommending a fee of \$0.30/Kwh inclusive of tax. Staff are also recommending the idle fee be set at \$5/hour, which is incurred by users once they are finished charging and after a 30-minute grace period.

Based on the usage of the City's existing public charging stations, this new fee is expected to generate gross revenues of approximately \$125,000-\$175,000 annually in cost centre 24719 - Electric Vehicle Mgmt. Program.

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These will be used to offset associated annual operating costs including utilities, maintenance, cloud fees, etc. to be budgeted as part of the business planning process.

## Conclusion

The City of Mississauga recognizes the critical role electric vehicles (EVs) play in mitigating climate change, reducing air pollution, and promoting sustainable transportation. The City is committed to supporting ongoing climate action goals and advancing the ZEV strategy. By implementing user fees the City will be able to recover costs associated with operating and maintaining its EVCS units and to encourage user turn over and limit excessive periods of charging.

## **Attachments**

Appendix 1: Electric Vehicle (EV) Charging Fee Policy

Jodi Robillos, Commissioner of Community Services

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