

Energy-based electric vehicle charging fees

Effective July 24, 2025

The City of Richmond will transition from time-based to energy-based fees at its public electric vehicle (EV) charging stations, aligning with regional standards and improving fairness for users.

Starting today (June 24), the City will begin a 30-day public notification period before the new fee structure goes into effect on Thursday, July 24, 2025.

Since 2020, Richmond has used a time-based pricing model for EV charging, where users are charged based on how long their vehicle is connected to a charger—regardless of how much electricity they consume. This approach was initially adopted to encourage station turnover and promote efficient use, at a time when federal regulations prohibited billing by energy use.

As EV technology has advanced, time-based pricing has become increasingly outdated and inequitable. Vehicles with slower charging speeds—such as older EVs or plug-in hybrid electric vehicles (PHEVs)—often end up paying significantly more per kilowatt-hour (kWh) than faster-charging models. This creates cost disparities and potential barriers to broader EV adoption.

In 2023, federal regulations changed to allow EV charging providers to bill users based on actual electricity consumption—enabling more equitable and accurate pricing.

Benefits of energy-based pricing include:

- Fairness: Users only pay for the energy they consume, eliminating cost disparities between fast- and slow-charging vehicles.
- Transparency: Costs are aligned directly with electricity usage, making fees easier for users to understand and compare.
- Efficiency: Supports improved station turnover and discourages unnecessary occupancy.

As part of the proposed changes:

- Level 2 chargers will be billed at \$0.2865 (approximately 29 cents) per kWh—an
 energy-based rate aligned with regional providers while supporting cost neutrality
 across the City's EV charging network.
- Level 3 fast chargers will have a rate of \$0.3479 (approximately 35 cents) per kWh to reflect increased equipment and operational costs.
- Idle fees will be introduced to encourage efficient use of charging spots. After a fiveminute grace period, vehicles occupying a spot but not actively charging will incur the following:
 - \$0.05 (five cents) per minute at Level 2 stations (between 7:00am and 11:00pm).
 Idle fees at Level 2 stations will not apply overnight (11:00pm to 7:00am) to



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support longer charging needs.\$0.40 (40 cents) per minute at Level 3 stations (all hours)

For more information, visit <u>richmond.ca/EV</u>.

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