



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: October 18, 2021

Re: Authorizing a Cost Match for Volkswagen Settlement Funding for an Electric Vehicle Charging Station to be Located in City Utilities – Water and Light Territory

Executive Summary

Staff has prepared for council consideration an ordinance requesting authorization for the City Manager to execute an agreement with SuperSonic Transportation LLC for a funding match related to construction of a Direct Current Fast Charging (DCFC) station for up to 20% of project costs not to exceed \$50,000. This installation is being completed as part of the Volkswagen settlement funding awarded through the Missouri Department of Natural Resources – Air Pollution Control Program.

Discussion

In 2016, the United States settled complaints against Volkswagen (VW) AG et al. to resolve claims that VW violated the Clean Air Act by selling cars with engines containing emissions defeat devices. As part of the settlement, VW paid \$2.9 billion to a national environmental mitigation trust fund, of which Missouri's share was \$41 million. These funds must be used to reduce Nitrogen Oxide (NOx) emissions from mobile sources. The Missouri Department of Natural Resources (MDNR), the designated Missouri VW Settlement Trustee, is using the maximum allowable by the trust to fund a statewide network of Direct Current Fast Charging stations.

To accomplish this, a collaborative of 11 Missouri utilities and stakeholders identified 41 potential sites across Missouri to establish a minimum charging network for cross-state travel. Of the 41 locations, 13 were identified as ideal EV charging stations for Stage 1 funding. Of the original 13 locations, 9 were approved for Stage 1 funding, of which Columbia's interchange at I-70 and U.S. Hwy 63 is one.

On December 14, 2020, SuperSonic Transportation was notified that its project submission, located at 1401 Creekwood Parkway, was selected for funding by MDNR. This project will consist of four DC fast chargers, allowing four electric vehicles to charge at a time. This DCFC installation will allow electric vehicles to charge in approximately 40 minutes rather than up to 5 hours with slower charging technology.

The estimated cost for this DCFC station is \$424,091. The funding award from MDNR will be \$331,572, which is approximately 80% of the eligible estimated project costs. At the estimated total project cost, the City will be funding approximately 12% of the project.

To encourage development of a DCFC station in Columbia, City Council voted in support of offering a match of up to the remaining 20% of costs with a cap of \$50,000 if a site within City



Utilities – Water & Light territory was selected. Funding for the match was appropriated into the fiscal year 2022 budget by council.

Increased opportunities to quickly charge an electric vehicle when away from a home or business allow customers to confidently replace internal combustion vehicles with electric vehicles, resulting in less air pollutants and greenhouse gases from the transportation sector. This initiative positions Columbia Water & Light in line with utility and transportation industry trends and aligns with the City's Climate Action and Adaptation goals.

With this DCFC station being the first of its kind located in City of Columbia - Utilities territory, staff will be evaluating outcomes and recommendations provided by the Integrated Electric Resource and Master Plan Task Force to determine the need for an electric rate to meet the needs of this growing industry. Any proposed rate will be presented to the Water and Light Advisory board and at a future council meeting for consideration.

Fiscal Impact

Short-Term Impact: \$50,000
Long-Term Impact: None.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Organizational Excellence, Tertiary Impact: Reliable Infrastructure

Comprehensive Plan Impacts:

Primary Impact: Economic Development, Secondary Impact: Infrastructure, Tertiary Impact: Mobility, Connectivity, and Accessibility

Legislative History

Date	Action
9/21/2020	R114-20 expressing support for the installation of an electric vehicle charging station along the Alternative Fuel Corridor at or near the intersection of I-70 and U.S. Highway 63 including intended financial participation by the City of Columbia of up to \$50,000.00 to assist with the construction of such charging station.

Suggested Council Action

Approve the legislation authorizing funding the cost match of up to \$50,000 for a DCFC station to be located in City Utilities – Water & Light's territory.