POLICY REGARDING ELECTRIC VEHICLE CHARGING STATIONS

It is the policy of the HCCA that no "Level 1" (120-volt electric outlets) or "Level 2" (220 to 240-volt electric outlets) EVCS's shall be allowed within the Association's property, except for-pay Level 2 EVCSs installed by the Association for the benefit of all Residents who drive electric or hybrid vehicles. These restrictions are intended to be reasonable and are imposed as an acknowledgment of the of the structural and practical facts of the HC community. Accordingly, in furtherance of the State's diligent goal to "promote and encourage" the use of electric vehicles, the Association's ultimate objective is to place multiple "Level 2" EVCS's in its Common Area equipped with time-of-use ("TOU") meters and credit card payment devices for the use of all Residents who own electric vehicles, as expressly authorized by §4745(h).

Background

This Policy is necessary because of the unique position the Association occupies in light of current California statutes, its CC&Rs, its method of payment of utilities, including electricity, and the fact that it contains no individual Unit-attached garages or Unit-adjacent carports, as do many if not most condominium Associations. Section 4745(b) of the Davis-Stirling Act announces the position of the State of California pertaining to this issue, where it asserts the "policy of the state to promote, encourage, and remove obstacles to the use of electric vehicle charging stations." In principle, the Board of Directors endorses this positive goal where practicable, yet at the same time notes that this subsection (b) also provides that associations may impose "reasonable restrictions to electric vehicle charging stations." Provisions of the Association's CC&Rs similarly reflect these statutory provisions, and can be found at Articles §§7.2 and 7.4. Accordingly, for all the specific factual reasons as set forth more particularly below, it is the policy of the HCCA that no "Level 1" (110-volt electric outlets) EVCSs shall be allowed within the Association's property. Furthermore, no "Level 2" (220 to 240-volt electric outlets) EVCSs shall be allowed within the Association's property, except those installed by the Association for the benefit of all Residents who drive electric vehicles. It remains the Association's preference and goal to install multiple "Level 2" EVCSs in the Common Area equipped with time-of-use ("TOU") meters and credit card payment devices for the use of all Residents who own electric vehicles, as expressly authorized by §4745(h), which states that "The association or owners may install an electric vehicle charging station in the common area for the use of all members of the association"

Findings and Facts: The Board of Directors finds that the following circumstances and facts fully support its policy declaration set forth below, which is in full compliance with §4745:

• <u>Collective Payment of Utilities</u>. As part of the regular monthly assessment that Members owe to the Association, all Members' utility costs are *included* in that monthly payment, including electricity, and the amount paid by each is based on the "classification" of the Units which vary in size and floor plan, so individual Members are not charged for the actual electricity they use.

• <u>Electric Meters on Units Are Not Read by PG&E</u>. Because electricity is included in Members' regular monthly assessments, electric meters at the HCCA are not "read" by PG&E to measure the use of individual Units' electricity, and Members are not charged by PG&E for that use.

• <u>Irrelevance of Transferring Electric Accounts</u>. Even if transferring the Association's sole electricity account to 300 individual accounts for all its Units were done, the impediment of long distances from Units to electric vehicles in parking spaces is such that these distances would preclude individual Members' ability to charge–or measure or invoice costs for–electric vehicles.

• <u>All Members Pay a Flat-Rate Amount for Electricity</u>. Because use of electricity at HCCA is structured this way, each Unit pays the same monthly amount for electricity based on its classification. Under this system, some may use more electricity than they pay for, while others may use less, though whatever inequity exists in this flat-rate system is relatively minor.

• <u>Level 1 & 2 EVCSs Would Exacerbate Inequity</u>. Should Members who own electric vehicles be allowed to use *existing* electric outlets–Level 1 or 2 EVCSs–to charge them, any utility-payment inequity would necessarily increase. Under that system, Members without electric vehicles–or any vehicle at all–would in effect be subsidizing the transportation costs of those Members who own them by providing them with free electricity, paid for by *all* the Members.

• <u>Impossibility of Level 1 & 2 EVCSs</u>. There is no feasible scenario at the Association where any Member who owns an electric vehicle would be able to charge such vehicle by or through the Member's own electric outlets, Level 1 or 2, from his or her Unit or Exclusive Use Common Area, since either (i) the vehicle is too far away from such Member's property, or (ii) there is no method currently available to invoice the Member's individual use of electricity–or both.

<u>Possibility of Level 1 & 2 EVCSs at Most HOAs</u>. The statutory language of §4745 contains assumptions indicating that its drafters believed most HOAs in California have individual Unit-attached garages or Unit-adjacent carports, making HCCA an exception to such assumptions. If HCCA did have such structural features, *together with* individual electricity accounts and invoicing, Level 1 & 2 EVCAs would be feasible and efficient methods for charging electric vehicles, just as they are in those HOAs in whose interests this legislation appears to be drafted.
<u>Infeasibility of Using Extension Cords</u>. In the past, some Members have used exterior extension cords running from their Units to charge electric vehicles parked in driveways within HCCA boundaries. This practice is dangerous on numerous levels. This practice cannot be an alternative to allow Level 1 & 2 EVCSs, especially since it also fails to resolve the lack of individual electricity accounts and invoicing.

U.S. Department of Transportation Office of the Under Secretary for Policy

Website: https://www.transportation.gov/rural/ev/toolkit/ev-basics/charging-speeds Email: <u>rural@dot.gov</u> Last updated: Wednesday, February 2, 2022

Electric vehicles can be charged using three charging speeds:

Level 1

The slowest, Level 1 equipment, provides charging through a common residential 120-volt (120V) AC outlet. Level 1 chargers can take 40-50 hours to charge a battery electric vehicle (BEV) from empty and 5-6 hours to charge a plug-in hybrid electric vehicle (PHEV) from empty. Typical Power Output: 1 kW

Level 2

Level 2 equipment offers charging through 240V (in residential applications) or 208V (in commercial applications) electrical service, and is common for home and workplace charging. Level 2 chargers can charge a BEV from empty in 4-10 hours and a PHEV from empty in 1-2 hours. Typical Power Output: 7 kW - 19 kW

<u>Direct Current Fast Charging (DCFC) (aka "Level 3,</u>" or "high speed")

The fastest speed, direct current fast charging (DCFC) equipment, enables rapid public charging along heavy-traffic corridors at installed stations. DCFC equipment can charge a BEV to 80 percent in just 20 minutes to 60 minutes. (*Costs to install and maintain are currently prohibitively expensive for most HOA communities.*) Typical Power Output: 50 - 350 kW

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THIS POLICY WAS APPROVED BY THE HCCA BOARD OF DIRECTORS DECEMBER 22, 2022 AND SHALL BECOME EFFECTIVE FEBRUARY 1, 2023 AND REMAIN IN EFFECT UNTIL SUCH TIME AS IT MAY BE REVISED OR REPEALED BY THE BOARD OF DIRECTORS.

Revision 0 12-23-2022