

## **22 Station Electric Vehicle Charging Stations Pricing Frequently Asked Questions (FAQ)**

1. Who owns and operates the EV Charging Stations in P2, Building 4?  
22 Station Owners Association, Inc. financed the infrastructure build out, leases the EV Charging Stations (“EVCS”) from Chargepoint, and supplies the electricity. Because 22 Station does not have employees, PVNC graciously assists 22 Station with the operation of the EVCS.
2. Who sets pricing for the 22 Station EVCS in P2, Building 4.  
22 Station Owners Association, Inc as the lessees of the EVCS, owner of Building 4, and supplier of the electricity sets the pricing.
3. Who may use the 22 Station EVCS?  
Only Owners at the Village at Palisades Tahoe and Palisades Tahoe employees who register may use the 22 Station EVCS. Currently, 47 Owners and five (5) employees have registered.
4. How does 22 Station set pricing for the 22 Station EV Charging Stations?  
The pricing objective is to breakeven: recover the costs of electricity (currently ~\$0.30 per KWH) and the lease expense of the three (3) EVCS (\$9,264 annually and ~5% of gross revenue for software and administration). Any surplus over breakeven would contribute to recover the infrastructure build-out expense of ~\$40,000 before tax credits. The target gross margin (“GM”) is 50%.
5. Why are prices for charging at the 22 Station EV Chargers in P2 so high?  
The EVCS pricing passes through 22 Station’s cost of electricity (currently ~\$0.30 per KWH) with a markup to recover the cost of electricity and the lease expense of the three (3) EVCS (\$9,264 annually and ~5% of gross revenue for software license and administration).
6. Why is the cost of electricity so high?  
Liberty Electric recently had two (2) rate increases of 50% in total and signaled further increases. As electricity costs increase, 22 Station EVCS prices will increase.

7. Why doesn't 22 Station lower pricing to have more usage and generate more margin?  
Current price levels realize a gross margin ("GM") of ~50% to recover the annual stations expense and may or may not achieve breakeven depending on usage volume. With a ~50% GM, every registered Owner would have to spend on average about \$400 per annum and charge about 20 times annually for 22 Station to breakeven. With lower prices and a ~25% GM, every registered Owner would have to spend on average about \$800 per annum and charge about 60 times annually for 22 Station to breakeven.
8. Why are Palisades Tahoe guests unable to use the charging stations. Wouldn't having more potential customers generate more volume and revenue?  
By regulation, the 22 Station EVCS are for the exclusive use of registered Village at Palisades Tahoe Owners and Palisade Tahoe employees. Expanding registration to serve Palisades Tahoe Hospitality guests/general public and comply with regulations requires additional investment and expense. At this time, 22 Station is unwilling to take on additional business and financial risk to serve the general public.
9. Why are the EVCS by Far East, in Truckee and Tahoe City, and along Interstate 80 less expensive than the 22 Station EVCS in P2 Building 4?  
The operators of these stations likely have lower electricity costs per KWH and economies of scale. Prior to 22 Station making the decision to build-out and install EVCS, 22 Station made Owners aware of these alternative, lower cost EVCS. Owners still requested to have EVCS in the Village in covered parking.
10. What will happen if 22 Station doesn't breakeven?  
22 Station will adjust operations and pricing to create value and achieve breakeven. Ultimately, if breakeven is not realized or achievable, prudent financial management would either reduce the number of charging stations when leases expire or cease to operate. 22 Station's objective is to breakeven, continue to operate the EVCS, and provide convenience to the registered Owners.
11. Why are there overstay fees (fees accrue when charging complete and vehicle still connected) especially during the night?  
The purpose of the overstay fees is to enable 22 Station to comply with its agreement with Palisades Tahoe to use P2 and manage availability of the EVCS. 22 Station has been working unsuccessfully with Chargepoint to have the Chargepoint EVCS software enable overstay fees during the day and none during the night. The current solution is to have no overstay fees at all and no connection fees during the night. Owners can now charge between 11:00 p.m. and 7:00 a.m. and incur no additional fees when the vehicle is fully charged and connected. However, If the fee for KWH is less than a minimum threshold, Owners will incur a minimum fee and no fee for actual KWH consumed.

12. What are the overstay fees during the daytime?

During the daytime and evening hours between 7:00 a.m. and 11:00 p.m. a connection fee per hour will accrue while the vehicle is connected to the EVCS. Any explicit overstay fee has been suspended during this time period. However, after the vehicle is fully charged and still connected, the connection fee will continue to accrue. Please disconnect and vacate the parking space after the vehicle is charged. During the nighttime hours between 11:00 p.m. and 7:00 a.m., the only fee is for electricity (per KWH) or the minimum fee.