

8.4 NSW Government EV Destination Charging Grant

REPORT BY THE ACTING DIRECTOR DEVELOPMENT
TO 20 JULY 2022 ORDINARY MEETING
GOV400098, GRA600052

RECOMMENDATION

That Council:

1. **receive the report by the Acting Director Development on the NSW Government EV Destination Charging Grant;**
2. **support the application for 5 additional EV Destination Charging units in the region;**
3. **if grant application successful, accept the grant funding of up to \$37,500;**
4. **if grant application successful, amend the Budget and Operational Plan as follows:**
 - **in 2022/23 set a capital expenditure budget of \$50,000 to be funded by grant funding of \$37,500 and Capital Program Reserve of \$12,500;**
 - **in 2022/23 and 2023/24 set an operational expense budget of \$6,000 p.a. from Unrestricted cash; and**
5. **authorise the Mayor or General Manager to finalise and sign the funding agreement with the NSW Government for the EV Destination Charging Grant if the funding application is successful.**

Executive summary

This report provides an overview of current Electric Vehicle (EV) charging stations in the Mid-Western Region and a proposal to apply to the NSW Government EV Destination Charging Grant for the co-funding of 5 additional Destination Chargers.

It is recommended to approve the application for the EV Destination Charging Grant, and if successful set an expenditure budget of \$56,000 for 2022/23.

Further, it is recommended to amend the 2022/23 Budget to increase grant funding received for EV Destination Chargers by \$37,500

It is also recommended that Council authorise the Mayor or General Manager to accept funding from NSW Government EV Destination Charging Grant and sign the funding agreement and other relevant documentation should Council be successful in obtaining the grant funding applied for.

Disclosure of Interest

Nil

Detailed report

The NSW Electric Vehicle Strategy aims to drive sales of EVs to more than 50% of new car sales by 2030-31. To support this, the NSW Government is encouraging Councils to support the implementation of EV Charging Stations through a range of initiatives. One such initiative is the EV Destination Charging Grant, whereby funds are available to co-fund the purchase and installation of Destination Chargers.

To note, there are three different types of EV Chargers.

Level 1 - AC slow charging ranging from 1.4 kW to 2.4 kW AC charging capability. This is the same as plugging into a regular power point at home or work. 10 km to 20 km range is added after being plugged in for an hour, which is why it is usually only done overnight to recharge the vehicle by 100 km to 300 km.

Level 2 - AC fast charging ranging from 7 kW to 22 kW AC charging capability. This is a dedicated charger with its own plug or socket. This is faster than a Level 1 charger. Typically, 40 km to 100 km of range per hour is added, dependent on each individual car configuration.

Level 3 - DC fast charging is the fastest charging option, ranging from 25 kW to 350 kW DC fast charging capability. This level charger can add 150 km range per hour at the lower end and a full charge at highest charging speeds in 15 minutes (depending on the charger size and car technology).

The EV Destination Charging Grant is supporting the installation of Level 2 chargers, otherwise known as "Destination Chargers".

In the Mid-Western Region, a Level 3 Fast Charger is located at Club Mudgee. This was fully funded and supported by NSW Government and NRMA. Should NRMA identify the region requiring a second Fast Charger, based on current and planned usage, at this point in time it will be located adjacent to the current charger at Club Mudgee. There is no current desire from NRMA to make further investment in the region for second location due to infrastructure investment costs.

Council can consider the installation of a Level 3 Fast Charger at alternate locations in the region, however this would be at Council's expense. Initial estimates indicate this would require investment of up to \$100,000 and ongoing maintenance costs. Council owned chargers can be branded and cost recovery can be undertaken by charging for electricity usage. At this stage, it is not recommended Council make this investment.

Tesla has advised potential to invest in Level 3 chargers in region. This is subject to agreement of a License/Location Lease and identification of potential sites that meet the needs of both parties. Council staff have commenced discussions on potential locations and once appropriate sites are identified, this opportunity would be brought to Council for approval.

Level 2 chargers, as supported by the EV Destination Charging Grant, are typically located at destination locations where car owners may leave their vehicle and undertake activities whilst the vehicle is charging.

There are currently 5 Destination Chargers in the region. These are located at:

- Lowe Wines (Mudgee)
- Petersons Wines (Mudgee)
- The Winning Post (Mudgee)
- The Stables (Mudgee)
- Kandos Museum (Kandos)

The following sites have been identified as potential locations for a Destination Charger:

- Mudgee Arts Precinct (Mudgee)
- Red Hill, Gulgong (Gulgong)
- Rylstone Memorial Hall / Showground (Rylstone)
- Kandos Memorial Hall (Kandos)
- Mudgee Valley Park (Mudgee)
- Glen Willow Regional Sports Complex (Mudgee)

Each of these sites meet the criteria of locations where drivers can leave their cars, either overnight for accommodation or for daytime activities.

The capital expense cost of Destination Chargers are around \$7,000 for a double-socket unit. Installation costs are between \$1800 and \$3000 depending upon location and access to appropriate power.

Ongoing costs (excluding power supply) include service and maintenance costs (3-monthly check by electrician) and annual RCD test, payment platform fees (e.g. 33c/transaction) and ongoing software to list on appropriate websites (approximately \$280/socket/p.a). Based on 5 destination chargers allow \$6000 p.a. (excluding payment platform fees as these may be passed onto user).

Customers can be charged to use the chargers at a per Kw basis and/or time basis. These rates can be set by Council and updated on a monthly basis if required.

It is proposed Council approves the application for the EV Destination Charging Grant for up to 5 Destination Chargers across the region for a total investment of \$50,000, including co-funding commitment of \$12,500 in 2022/23 and an ongoing expense of \$6,000 p.a.

Community Plan implications

Theme	Connecting Our Region
Goal	Efficient connection of the region to major towns and cities
Strategy	Develop a regional network in partnership with government agencies, that grows with the needs of residents businesses

Strategic implications

Council Strategies

Council's Towards 2040 Community Plan has a range of strategies that highlight providing infrastructure and services to cater for current and future needs of the community

Council Policies

Nil

Legislation

Not applicable

Financial implications

This project will increase capital expenditure in 2022/23 by \$50,000 and produce 5 new assets that will be required to be maintained by Council in future years.

Budget Year	Operating Performance Ratio	Own Source Revenue	Building & Infrastructure Renewal
2022/23	✘	✓	-
Future Years	✘	✓	✘

Associated Risks

Should Council not invest in expanding an EV Charging network, future visitors and residents may choose to live, work or visit other destinations and not the Mid-Western Region.

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ACTING DIRECTOR DEVELOPMENT

9 June 2022

Attachments: Nil

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER