



Consent Item 9

TO: East Bay Community Energy Board of Directors

FROM: JP Ross, VP Local Development, Electrification and Innovation

SUBJECT: Authorizing CEO to negotiate and execute Leases and Consulting Services Agreement with Zevvy for EBCE Drive and Charge Research and Development Initiative

DATE: July 19, 2023

Recommendation

Approve a Resolution authorizing the CEO to negotiate and execute Leases and Consulting Services Agreement with Zevvy to develop and implement the Drive and Charge Research and Development Initiative

Background and Discussion

East Bay Community Energy (EBCE) is working to increase adoption of zero-emission vehicles and access to equitable charging across our service area. Our public DC Fast Charging (DCFC) network is a \$30 Million investment to make electric vehicle (EV) charging accessible and affordable to communities where private sector investments have largely lagged or not existed, especially around affordable multi-family housing. Our EV adoption program will start with a \$6 Million Program over three years to ensure that customers better understand EVs & charging, have a positive first experience with both, and can more simply navigate the process to access their first EV. These substantial investments will be more effectively spent if they can be better designed out of the gate based on real-world research and development.

The Drive and Charge Research and Development Initiative (Drive and Charge R&D) will utilize EBCE staff to test our program design assumptions, compare against our competitors, and assess the user experience and technology in EVs and charging. Drive and Charge R&D will be managed by EBCE with vehicle procurement and data

collection from Zevvy, a third-party manufacturer-neutral EV leasing company. Key components of this Drive and Charge R&D initiative include:

- **Procure and maintain 6 different EV models.** Zevvy would procure leases and maintain six different EV models up to 12 months to enable EBCE staff to conduct market research on EVs and publicly available charging network operators to determine how to best structure EBCE's EV adoption program and DCFC charging network. Separately, EBCE would procure a suitable automobile insurance policy to cover the EVs.
- **Guidelines for EBCE staff to use the EVs for the Drive and Charge R&D initiative.** Employees would utilize the EVs for roughly a 2-week period and do so as their primary mode of transportation during that time. EBCE will have a participation policy & agreement that includes usage requirements (e.g. following all laws, only approved drivers, approving telematics data collection from the vehicle) and requirements (e.g. completing EV experience and public DCFC experience surveys) for each employee to sign. Employees would not be compensated for using vehicles or providing market feedback.
- **EV training and support.** Zevvy and EBCE would develop training and support materials for participating in the Drive and Charge R&D initiative to facilitate a good user experience for first time EV and DCFC users. This training & support, adapted via feedback from participating staff, would become a model for what EBCE will provide customers in our EV adoption program and broader marketing materials.
- **Survey development and collection.** EBCE staff and their passengers will be required to complete surveys for us to assess the driving/riding experience, public DCFC experience, market gaps, and opportunities.
- **Data collection.** Zevvy would collect and report out to EBCE on key data points related to driving (e.g. vehicle miles traveled, range) and charging (e.g. total kWh, average kW rate) for the EVs in use.

As a result of this Drive and Charge R&D initiative, we expect to have 144 two-week lending research sessions (~2 sessions/staff person) that will result in 576 new EV driver & passenger surveys and at least 288 public DCFC network surveys. The survey data along with the data collected by Zevvy will contribute to the build out of our DCFC network, the software, and the design & implementation of our EV adoption programs.

Selection of Zevvy

Zevvy is a local East Bay business based in Hayward that provides short term leases to accelerate EV adoption. Zevvy's flexible short-term leases allow customers to try EVs before committing to a long-term lease or purchasing an EV. EBCE evaluated several

options to acquire EVs for the Drive and Charge R&D initiative and Zevvy provided the most flexible terms and fastest delivery of EVs for the Drive and Charge R&D initiative.

Fiscal Impact

The Drive and Charge R&D initiative would be funded with existing Local Development transportation electrification funds. Compensation to Zevvy for the Drive and Charge R&D initiative will not exceed \$85,000.

Attachments

- A) RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE LEASES AND CONSULTING SERVICES AGREEMENT WITH ZEVVY FOR THE EBCE DRIVE AND CHARGE RESEARCH AND DEVELOPMENT INITIATIVE

RESOLUTION NO. R-2023-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO AUTHORIZE THE CEO TO NEGOTIATE AND EXECUTE LEASES AND CONSULTING SERVICES AGREEMENT WITH ZEVVY FOR THE EBCE DRIVE AND CHARGE RESEARCH AND DEVELOPMENT INITIATIVE

WHEREAS The East Bay Community Energy Authority ("EBCE") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020. The city of Stockton located in San Joaquin County, was added as a member of EBCE in December of 2022.; and

WHEREAS EBCE seeks to support the adoption of electric vehicles (EV) across its service territory to reduce greenhouse gas and particulate emissions that disproportionately impact lower income and disadvantaged communities; and

WHEREAS the EBCE Board approved \$30 Million for an EBCE-owned public DC Fast Charging network and \$6 Million for an EBCE EV adoption program; and

WHEREAS the initiative proposed by EBCE allows us to internally research, test, and develop market entry and success of our EV adoption program and DC Fast Charging network; and

WHEREAS EBCE has negotiated the scope, implementation timeline, goals, and budget to ensure a successful and informative initiative.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. THE CEO is hereby authorized to negotiate and execute Leases and Consulting Services Agreement for the development and implementation of EBCE's Drive and Charge Research and Development Initiative with total compensation not to exceed \$85,000, subject to the approval of the General Counsel.

ADOPTED AND APPROVED this July 19, 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

