

Tucson Electric Power's <u>Smart Electric Vehicle (EV) Charging Program</u> offers rebates and technical support to commercial customers (e.g., businesses, multi-family complexes, municipal fleets, schools, and nonprofits) that purchase and install EV charging ports at their location. Customers located in lower-income areas may be eligible to receive higher rebates. Rebates are issued at the completion of the project upon confirmation of compliance with program requirements.

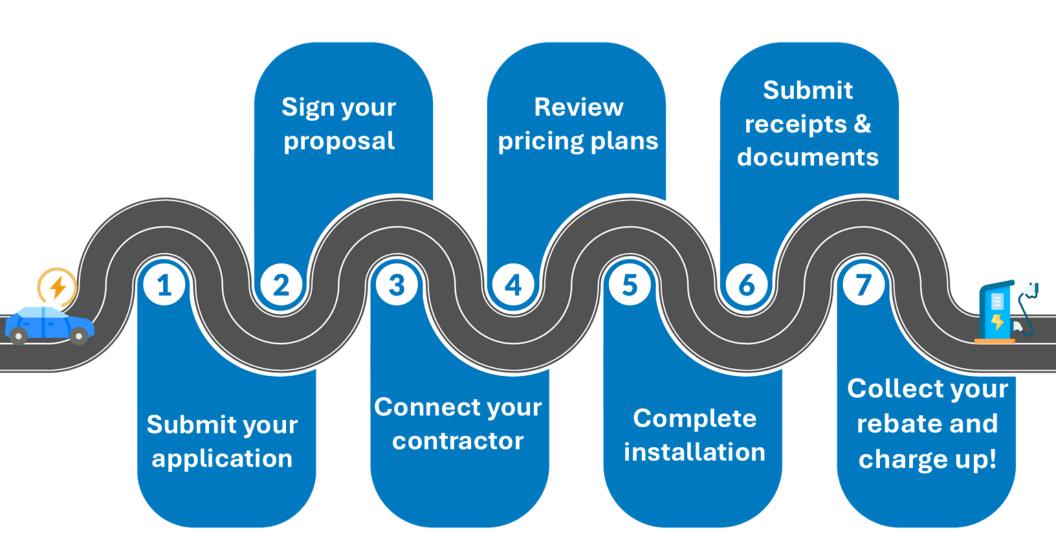
Our rebates offset your end-to-end costs, making it easier to become a leader in developing sustainable EV infrastructure in your community.

Program Goals

- 1. Support the build-out of a robust EV charging network to combat insufficient infrastructure concerns
- 2. Promote efficient grid use
- 3. Facilitate equitable geographic distribution of EV charging across the TEP service territory
- 4. Support prudent investments in the future of transportation electrification in the community

Apply today!

Program Process Overview





Roles and Responsibilities

Step	Participant (You)	Participant's Electrical Contractor	Program (Us - TEP)
1	Review Program Guidelines and other Smart EV Charging Program Resources. Submit your application well before construction begins. The Program cannot accept rebate applications for completed or substantially completed projects.		Review your application for alignment with Program Guidelines and Goals. Not all projects are accepted; the # of ports rebated may be lower than the # of ports requested.
2	If offered, review and sign your rebate proposal and Site Host Agreement within 15 days of receipt. This reserves your rebates.		Prepare and share your rebate proposal and Site Host Agreement. Be available to answer questions.
3	Provide the Program your electrical contractor's contact information within 30 days after signing your proposal.	Provide the Program with installation information about the project within 30 days after initial outreach.	Review information provided by your contractor. Connect your contractor with construction services resources, if applicable.
4	Review and acknowledge or override suggested pricing plans.		Share suggested pricing plan(s) for your project.
5	Work with your electrical contractor to complete your project's installation.	Work with the Participant to complete installation.	
6	Notify us when your project is complete. Submit receipts and W9. Participate in in-person or virtual site visit. Complete customer survey.	Provide receipts/invoices to the Participant.	Coordinate in-person or virtual site visit. Review receipts and submitted documents.
7	Continue charger maintenance and operation (minimum 5-year term). Contact vendors for charger troubleshooting.		Answer program-related questions for future projects.



Initial Eligibility Criteria

Commercial customers in TEP's service territory are eligible to apply. Vendors may apply on behalf of customers; however, the end-use EV charger station owner/utility customer will be responsible for signing all agreements associated with the program and ensuring compliance with program requirements.

Rebates are offered on a per-charging port basis. Typically, rebate offers are limited to between two and six ports. Projects that involve the installation of more than six ports will be evaluated on an individual basis and rebates may vary based on alignment with program goals. Two ports must be installed at minimum to qualify for rebates.

The number of ports eligible for rebates may be less than the total number of ports a customer wishes to install.

All projects are evaluated individually before being accepted for rebates. Not all projects will be approved for rebates. Criteria considered include, but are not limited to:

Benefits of Installing EV Chargers



Promote your organization as eco-friendly and forward-thinking



Help achieve your organization's sustainability goals



Assist with employee, customer, and resident recruitment and retention



Build goodwill by providing a community amenity



Increase your marketability and property value

- Expected EV charging station utilization, informed by:
 - Type of business
 - o Expected user groups (e.g., employees, general public, etc.)
 - Expected flow of traffic
 - o Current EVs on site
 - Expected adoption of EVs in the vicinity
 - Saturation and/or proximity of other chargers in an area or at a site
 - Proximity of chargers to high-traffic corridors/highways
 - Number of and distance to nearby businesses or amenities
 - Hours of operation and dwell time of business and nearby businesses or amenities

¹ As an exception, smart outlet standard offerings are for between 5 and 20 devices.

Smart EV Charging Program Guidelines



- Walkability of the surrounding area (e.g., presence of sidewalks, streetlights, shade, etc.)
- Planned use case for chargers
- Location of chargers on property (including parking quality, presence of lighting, distance from major arterials, proximity to other amenities, etc.)
- Expected completion date
 - All projects must be completed, with final documentation submitted and verified, so that rebates can be issued no later than December 2026.
 - Rebate proposals will not be offered for already completed or substantially completed projects.
- Alignment with Program Goals

TEP, at its discretion, reserves the right to approve, deny, or modify (e.g., change in rebate offer, scope, or classification) a project's application based on an internal review and determination of alignment with program goals and guidelines.

Additional requirements for receiving rebates, should your EV charging project be accepted into the program, include:

- If the utility customer is not the property owner of the site, a Letter of Authorization from the property owner must be supplied.
- The end-use EV charging station owner/utility customer must sign a Site Host Agreement and rebate proposal with a **5-year term**. The agreement requires:
 - The chargers remain in good working order for a minimum period of 5 years. If the chargers go out of service during this term, it is the customer's responsibility to repair or replace the chargers, or else to return rebate funds. TEP is not responsible for charger warranties or maintenance. We highly recommend talking to your vendors about labor and materials warranties to cover you during this period! See our EV Charger Project Guide for a list of helpful considerations when talking to vendors.
 - The chargers be connected to an eligible time-of-use pricing plan (including stand-alone electric vehicle charging plans) for the 5-year term (see pg. 7 for more information).
- You must sign your proposal and Site Host Agreement within 15 days of receipt.
 This deadline may be extended at TEP's discretion.
- You must provide the Program with your electrical contractor's information within 30 days of signing your proposal and Site Host Agreement.
- Your electrical contractor must provide us with additional information about your project within 30 days of TEP receiving their contact information.

Smart EV Charging Program Guidelines



- At least two ports must be installed.
- The EV chargers installed must be on the **Qualified Product List**.
- The electrical contractor installing the chargers must hold an active C-11 or CR-11 license with the Arizona Registrar of Contractors.
- Once the project is complete, the following must be submitted:
 - Receipts (at least showing costs up to the maximum rebate amount).
 Invoices should show hardware, software/warranties, permits/upgrades, design/engineering, labor/installation, and supplies/materials as distinct line items.
 - W9 rebates are taxable, and you may have tax liability depending on your tax status. The utility customer may authorize a third-party to receive the rebate check instead.
 - Documentation the chargers are active gathered via an in-person or virtual site visit with our team.

Rebate Levels

Rebates are provided in a check mailed to the utility customer or authorized third party. Rebates are offered on a per-port basis and are tiered based on charger type. Maximum rebate levels are displayed in the table below. Rebates are capped at 100% of project costs. The number of ports incentivized may be less than the number of ports a customer wishes to install.

Charger Type	Standard Rebate Level	Disadvantaged Community (DAC) Eligible Rebate Level*
Level 2 (L2)	\$1,800 per port	\$2,700 per port
Smart Outlet (Multifamily only)	\$600 per device	\$1,000 per device
DC Fast Charger (DCFC)	\$15,000 per port	\$25,000 per port

Rebate levels subject to change at any time. Additional funding may be available for public transportation projects, electric school bus projects, and affordable multifamily housing developments.

*DAC Eligible Projects include those projects that meet the following criteria:

- Project is in a U.S. Census Block Group where the low-income population percentile (relative to the state) is 80% or greater, as identified by the U.S. Environmental Protection Agency's <u>EJScreen</u> <u>Mapping Tool</u>, and
 - a. For non-Smart Outlet DAC projects: Chargers are made available to the public, and must not be located behind a gate or barrier, during normal business hours. The chargers must be listed as publicly available on Plugshare (or similar) for the duration of the operating term.

Smart EV Charging Program Guidelines



Chargers must be a good public use-case for charging based on the parameters outlined in the Program Guidelines (see pg. 4).

- In addition to the public, customers or employees may be primary users of the chargers. Projects where chargers could be used for fleets or for-sale vehicles along with public charging are subject to additional review on a case-by-case basis.
- ii. Public chargers must be located in an easily accessible and identifiable location on the property. Property owners cannot restrict access to public chargers by blocking or reserving them for private use.
- b. For Smart Outlet DAC projects: Multifamily site must be listed on https://housingsearch.az.gov/index.html with monthly per-unit rent below \$1,200. If not listed, applicants can provide data to verify rent eligibility. TEP reserves the right to update the rent threshold as new market data becomes available.

The program team reserves the right to accept or reject proposed projects' DAC eligibility, and to update this definition as appropriate with the evolution of the program.

City of Tucson Projects - please note TEP is not able to provide a rebate for project costs associated with meeting the minimum requirements of the <u>City of Tucson's Commercial EV Ordinance</u>. For example, if your project will have 5 charging stations and the ordinance requires the installation of 3 charging stations, TEP's Smart EV Charging Program will only cover costs associated with 2 out of the 5 charging stations.

Eligible Project Costs

Project costs eligible for rebates include:

- EV charging station and related equipment
- Electrical service upgrades required for the installation
- Design and engineering services
- Construction and installation (materials and labor)
- Service, warranty and O&M agreements

Frequently Asked Questions

1. Who is eligible to participate?

Any TEP non-residential customer on a commercial rate is eligible to apply. Note a requirement of the program is that the electrical service connected to the installed EV chargers is on a time-of-use rate for at least five years. Eligible rates include:

- Small General Service Time-of-Use*
- Small General Service Demand Time-of-Use
- Medium General Service Time-of-Use
- Large General Service Time-of-Use
- Stand-Alone Electric Vehicle Charging (DCFCX)
- Large Power Service Time-of-Use

^{*}Including with R-20, Stand-Alone Electric Vehicle Charging for Small General Service, where applicable.



2. Do I have to use a specific kind of charger?

Yes, the program has a list of approved charging equipment that you and your contractor can review here. Please note that EV chargers, like cell phones, typically have a hardware provider (think Apple, Samsung, etc.) and a network provider (think AT&T, Verizon, etc.).

3. How do charger types differ?

The TEP Smart EV Charging Program offers rebates for three types of chargers: Smart Outlets, Level 2 chargers, and direct current fast chargers (DCFC). The main difference between these chargers is how much power they deliver to the vehicle and how fast the vehicle battery can be charged.

The table below shows the difference in estimated charging times for most EV types. Your program representative will provide a recommendation on what type of charger is best suited for your needs based on such factors as the type of business, expected users, and site compatibility.

Please note that Level 1 chargers are typically used for private residential use and are not included in this program. For more information on resources available for residential charging, click <u>here</u>.

Charger Type	Typical Maximum Output Power	Charging Time (varies based on EV type, state of charge, etc.)	Common Applications
DC Fast Charger (DCFC)	50-350 kW	Typically <1 hour (~180- 240+ miles per hour of charging)	Public charging (e.g., near major highways and travel corridors), fleet charging
Level 2 Charger	7-19 kW	Typically 4-10+ hours (~<10- 25+ miles per hour of charging)	Multifamily housing developments, customer charging (e.g., movie theaters, malls, public street parking, office complexes, etc.), employee charging, fleet charging
Smart Outlets (Multifamily housing developments only)	3.8 kW	Typically 10+ hours (~15 miles per hour of charging)	Multifamily housing developments

4. Is there a cost associated with participating? How much will my project cost?

The program support and rebates are offered at no charge to the customer.

In general, costs for EV charging equipment vary widely based on the selected vendor and charger type. On average, Level 2 charging port equipment



(hardware) costs alone may range from \$2,000-\$4,000+ per port. Smart Outlet hardware typically costs less than standard Level 2 hardware. DCFC hardware costs may vary more based on charging output, as shown below:

DCFC Power Output	Approximate Hardware Cost Ranges
50 kW (~30-60 min full charge time)	~\$20,000-\$30,000+
150 kW (~20-30+ min full charge time)	~\$75,000-\$100,000+
350 kW (~≤20 min full charge time)	~\$120,000-\$150,000+

Additional costs beyond the EV charging hardware will contribute to the overall cost of a project, including:

- EV charging station installation
- · Permits, construction, and commissioning
- EV charging station software and maintenance contracts
- "Front-of-the-meter" upgrades, e.g., transformer upgrades (see graphic below)
- "Behind-the-meter" upgrades, e.g., electrical panel upgrades (see graphic below)



Front-of-the-meter

Behind-the-meter

The figures provided here are just approximations. Actual project design and costs will be determined by your selected contractor(s) and EV charger vendor(s). See our EV Charger Project Guide for helping talking points with vendors; our Qualified Product List for a list of EV chargers eligible for rebates through the program; and our EV Charger Installer Directory for a starting-point resource of installers familiar with the Program.



5. What is included in my rebate proposal?

Your rebate proposal will note the number and type of ports you have been approved for rebates for, along with your total maximum rebate offer. It may also include some high-level information about your site, which should be discussed with your electrical contractor.

Your maximum rebate offer is capped at 100% of project costs and is subject to change if the scope of your project changes. Rebates are available on a first-come, first-served basis.

6. Can I choose my own contractor?

Program participants select their own contractor. All contractors must hold an active CR-11 or C-11 license with the <u>Arizona Registrar of Contractors</u>.

Note that TEP does not endorse or have any formal partnerships with any contractors, electricians, or EV charger installers related to the TEP Smart EV Charging Program. TEP does provide an EV Charger Installer Directory. This list provides information about companies who install EV chargers in TEP's service territory. Installers on this list have completed a training on TEP's Smart EV Charging Program, and as such are familiar with the program's requirements. Customers participating in the Smart EV Charging Program do not have to use an installer listed here. Instead, this list is meant to provide a starting point resource for customers looking for EV charger installers familiar with the Smart EV Charging Program. The EV charger installers on this list are not endorsed by or formally affiliated with TEP.

Customers should check a contractor's credentials carefully before signing a contract. We highly recommend getting at least three quotes for a project, and asking installers key questions included in our *EV Charger Project Guide*.

7. What is the charger warranty? How will I maintain these chargers?

TEP is not responsible for charger warranty or maintenance. Participants in the TEP Smart EV Charging Program must agree to keep their chargers in operational condition and remain on a time of-use pricing plan (including standalone EV charging pricing plans) for at least five years. Equipment warranties are specific to each brand and manufacturer installed, so please refer to your equipment vendor for details. Talk to your contractor about labor warranties. See our EV Charger Project Guide for a list of helpful considerations when talking to vendors.



8. I already had chargers installed at my business. Can I still get rebates for them?

No. EV chargers that have already been installed are not eligible for program assistance. We cannot rebate any projects that are already completed or substantially completed. You may apply for rebates for additional EV chargers at your property once per year.

9. Can I apply to the program to replace existing EV chargers?

You may apply to replace EV chargers if the ones located on the property were not part of the TEP program within the last 8 years.

10. Can I charge a fee to guests or employees who use my chargers?

Yes. You get to decide and are responsible for the EV charging session pricing options at your chargers. Talk to your EV charger vendor about site host ownership/operations options, as well as payment options for users of the chargers.



Ready to get started?

Complete your application here.

Have questions?

Feel free to reach out to us at 520-745-3592 or EVTEP@tep.com.

Version 1/1/2025. These guidelines may update at any time without notice.