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Memorandum

Xcel Energy Commercial Transportation Electrification Program (TEP) Cross-Cutting Commercial Advisory Services Recipient Non-Participant Interviews

To: Ryan Odell, Jason Peuquet and Huma Seth, Xcel Energy Clean Transportation Team
From: The Opinion Dynamics Evaluation Team
Date: October 24, 2022

This memo summarizes findings from in-depth interviews that Opinion Dynamics conducted with customers who engaged with Xcel Energy's commercial advisory services. The evaluation team interviewed six customers who inquired about the program and applied but have not initiated the installation of charging equipment.

The interviews sought to better understand if Xcel Energy's Electric Vehicle Supply Infrastructure (EVS) programs are effectively promoting the benefits of electric vehicle (EV) charging to commercial advisory services recipients, the types of additional support site hosts need from advisory services to move forward to installation, and if opportunities exist to improve advisory service offerings to better serve customers through the 2024-2026 Transportation Electrification Plan.

Research Data and Methods

Opinion Dynamics conducted in-depth interviews with 6 out of 48 eligible customers who inquired about the program and applied but did not initiate the installation of charging equipment, a response rate of 13%. All six interviewees own, rent, or invest in Colorado commercial properties.

We recruited interviewees from a sample population based on Xcel Energy program tracking data for stalled leads through July 31, 2022. After receiving program tracking data, we removed duplicate records for non-participants with multiple commercial properties. Our final sample population included 48 non-participants eligible to be interviewed.¹

Recruitment included an initial email outreach sent to the entire sample population and two follow up emails to non-respondents. Outreach took place from late August to early September 2022. The initial email outreach and follow-up offered a \$50 gift card incentive to complete the interview, with the incentive increased to \$100 for the final reminder.

¹ This number does not include one person who did not qualify for the interview based on their responses to screening questions. Though this person reported owning a small multifamily property, they said they were not interested in the program because none of their tenants drove an EV nor—in their opinion—could afford to purchase one.

Key Findings

- **Key Finding #1:** Non-participant interviewees are enthusiastic about EVs and want to participate in Xcel Energy programs. Half of interviewees have decided to proceed with installing charging stations, with the other half actively seeking information so they can decide if they will install charging stations. Additionally, one interviewee mentioned already purchasing EV chargers and wanted to know if Xcel Energy could help install the chargers.
- **Recommendation:** As the EV market grows and program participation increases, continue to focus on reaching customers early in their decision-making process to ensure they are made aware of all Xcel Energy offerings and their needs are being met. It will be especially important to closely monitor the fast-changing EV charging landscape over the next few years to ensure TEP funds predominately reach customers who may not otherwise be able to install charging without Xcel Energy support.
- **Key Finding #2a:** Almost all interviewees have experienced delayed responses from program representatives at various points throughout the participant journey. All but one interviewee has had to wait for a response from Xcel Energy staff about some aspect of program participation. For two of the six interviewees, the lack of follow-up from program representatives has prevented them from deciding if they will install charging at their properties. Another interviewee who has already decided to install charging said they had not been contacted by Xcel Energy staff after expressing interest in the program.
- **Key Finding #2b:** The evaluation team's review of program tracking data found limited information about project status. Due to limited data, we worked with program staff develop a list of stalled leads who were at least in the initial application stage, which we then used for interview recruitment.
- **Recommendation:** Consider reviewing the customer relationship management (CRM) systems and processes to identify causes of delayed responses. Any causes identified should then be addressed by amending CRM systems/processes and other aspects of program implementation as necessary. For example, consider including additional fields in program tracking data, such as project status details, date of last contact, and follow up communication details. Program staff could also consider setting up automatic notifications in the CRM system to remind program staff to recontact stalled leads.
- **Recommendation:** Similar programs in other utility jurisdictions have found success in streamlining their transportation electrification (TE) offerings by transitioning from having staff assigned to each phase of the participation process (e.g., site assessment, application review, installation, etc.) to having a single point of contact per customer. These utilities have found that a single point of contact approach limits delays and confusion that can result from handing off projects to other staff. Xcel Energy could consider implementing a similar strategy to create a more streamlined process for customers which may include bringing on additional staff to ensure timely responses to customer inquiries.
- **Key Finding #3:** To move forward, non-participants need more detailed information about participation costs and how the program is implemented. Most interviewees have questions about participation costs, business impacts, or administrative details they need to have answered before they can participate in the program. Lack of information about the costs associated with installing and operating EV charging stations presents a significant barrier to participation.
- **Recommendation:** Consider how the program can answer questions earlier in the participant journey to proactively address potential barriers to participation. Consider providing written

materials on the program website addressing common questions and email materials to potential participants after the initial phone conversation.

- **Key Finding #4:** Previous participation in other Xcel Energy programs motivated interviewees to inquire about Xcel Energy's commercial charging program. Half of interviewees mentioned they previously participated in Xcel Energy's programs, including the residential EV charging and small business programs. Positive experiences with other Xcel Energy programs led at least one interviewee to inquire about Xcel Energy's TE offerings.
- **Recommendation:** Continue to broadly promote TE offerings to commercial and residential customers. Consider targeted promotion of TE offerings to customers participating in commercial energy efficiency programs.

Interviewee Characteristics

Table 1 presents a summary of non-participant interviewee characteristics.

Table 1. Interviewee Characteristics

Occupations	Property Ownership Models	Property Types	EV Charging Project Types ^a
2 business owners, 2 entrepreneurs, 1 CEO, 1 administrative assistant	2 investors, 1 owner, 1 tenant, 2 unknown	5 commercial, 1 mixed-use	4 Public & Fast, 1 Multifamily, 1 Small Business, 1 Workplace

^a The number of project types is greater than the number of interviewees because one interviewee was interested in multiple project types.

Interviewees had available parking in various configurations. Two interviewees had six available spaces. The remaining four interviewees had surface and underground parking in a mixed-use development with 300 multifamily housing units, on-site parking for 10 national restaurant chain franchisees, an entire shopping center, and 20 - 30 spaces close to their restaurant located in a strip mall, respectively.

Detailed Findings

Interviewees first learned about Xcel Energy's commercial charging offerings through various channels. Three of the interviewees became aware of the Xcel Energy commercial charging offerings after being contacted by Xcel Energy staff, though none could recall who initiated contact. Two mentioned initiating contact with Xcel Energy staff because they are personal EV owners who previously researched or participated in Xcel residential EV charging programs and contacted Xcel Energy to inquire about similar programs available for businesses. The sixth interviewee learned about the program through a state webinar organized by the Colorado Air Pollution Control Division.

Four of the six interviewees said they inquired about the program because they were interested in installing EV charging stations. Three of these four interviewees mentioned they reached out due to a general interest in installing stations, while the fourth mentioned they wanted to know what incentives were available for installation. One of these interviewees mentioned they are interested in installing stations because they anticipate an increasing need as EVs become more popular:

“I’ve reached that place because I’ve purchased my own electric car and I have a more invested interest in seeing something because I see the future. I see what’s coming as an end user. I can see that there’s insufficient quantity of EV charging stations. And why not tie it into my business where somebody who’s going to charge their vehicle can come inside and eat a meal while their car is charging?”

Another interviewee mentioned they reached out because they had a positive experience when they participated in an Xcel Energy small business program. Finally, one interviewee mentioned they reached out because their organization was receiving three Tesla EV charging stations and wanted to know if Xcel Energy could help with installing them.

None of the four interviewees who contacted Xcel Energy about the program mentioned being offered or receiving additional written information from the program. Three interviewees had an introductory phone conversation with program staff. Of these three, one did not provide specifics, one recalled discussing available charging options, and one recalled program staff going through a basic example of the upfront costs, available rebates, and expected revenue from installing two charging poles for four parking spots. The fourth interviewee attended a presentation with program staff but did not volunteer any specific information that was included.

All non-participant interviewees are interested in installing EV charging stations at their commercial properties, with half actively moving forward and half seeking additional information before making a decision. Two interviewees mentioned they had hoped to have EV charging stations already installed at their properties, while another mentioned they wanted to know if the program would cover any costs for Tesla charging stations their organization had already purchased. One of these interviewees mentioned they would have charging stations installed if Xcel Energy's commercial programs were structured similar to their residential programs:

“Basically, if the program existed that existed for residential was also applicable for commercial buildings, we would be buyers already. But they have a couple other programs and I guess it's a little bit more involved.”

The remaining three interviewees mentioned they are interested in participating and are seeking information about the costs, benefits, business impacts, and other logistical considerations associated with installing and operating EV charging stations.

Interviewees have experienced delayed responses from Xcel Energy staff at different points in their program participation. Five of the six interviewees reported some sort of delay in Xcel Energy staff follow-up. Two interviewees mentioned they had expressed initial interest in the program but were still waiting to hear from program staff. One mentioned they had not been contacted after an introductory conversation with Xcel Energy staff, as the interviewee's scheduling conflicts prevented them from arranging an on-site assessment for the program at a later date. Another interviewee had a meeting with Xcel Energy staff, after which they were told Xcel Energy would contact them in eight weeks to schedule an on-site assessment.² An interviewee said that, at the time of the interview, they had been waiting for one week for Xcel Energy staff to confirm which meter on their property will be used for EV charging stations.

Interviewees have a variety of questions about participation costs, business impacts, and administrative details they need to have answered before moving forward with installing charging. Questions about the financial implications of participating are central to interviewee decision-making processes, including the upfront cost of installing EV charging stations, the availability of benefits or subsidies to reduce upfront cost, and what responsibility participants have for operational costs after charging stations are installed. One

² At the time of their interview, they said it had been about eight weeks since the meeting in question.

interviewee thought that charging stations would increase customer traffic at their retail center but mentioned some basic details they need in order to decide if installing them made sense:

“[I]t’s win-win when the customer comes and charges, and he or she will stay there for 15 or 30 minutes and that means they’re going to go and do some shopping and all. [...] So, I guess, to be honest with you, I think all I need is cost-benefit analysis. How many parking spaces do you take? What type of installation? How much does it cost? I mean, that EV station, does it cover what type of vehicles?”

Interviewees also mentioned needing a better sense of business impacts before moving forward, including whether EV charging stations will increase customer traffic and how installing stations may affect their insurance policies.

In addition, non-participant interviewees have specific questions about administrative details. They want to know who is responsible for securing any permits or approvals needed to install and operate EV charging stations, and whether Xcel Energy or a third-party vendor would install the charging stations. While these concerns seem more peripheral than those related to costs and business impacts, insufficient information about administrative processes may present a meaningful barrier to participation.

Concerns about EV charging technology are not a barrier to participation among interviewees. When prompted to consider the idea, none of the six interviewees thought that underlying concerns about EV charging technology represented a barrier to participation for organizations like their own. This may partially reflect personal experience with EV charging technology, as three interviewees mentioned owning a personal EV and a fourth mentioned they have a Tesla Powerwall® installed at one of their homes. In addition, the three interviewees who are still seeking information about whether to install EV charging stations are among the four who have personal experience with EVs.

Restaurateurs may be particularly interested in public and fast EV charging. Three of the six interviewees either own restaurants or commercial properties where restaurants are operated. All three mentioned fast charging stations are a logical fit because of how much an EV can be charged in the typical time it takes to sit down and eat a meal. As one interviewee mentioned:

“[W]e have 10 locations in Colorado, the greater Denver area. And I think it’s a good match for an EV charging station. Somebody has a place to wait while the charging is being done: inside the restaurant.”