

BLUE WHALE **EV** INDUSTRY INSIGHTS

POWERING THE FUTURE

Article from *Hotel Business* – December 15, 2022

A few short years ago, the U.S. had a little more than one million electric vehicles (EVs) on the road—just a small fraction of all registered vehicles in the country. But that number is rising fast. EVs are skyrocketing in popularity, thanks to the many environmental and financial benefits of ownership—not to mention how fun they are to drive.

Some sources even predict that we'll see 26.4 million EVs on U.S. roads by 2030. And those 26.4 million drivers will want to charge their vehicles where they live, where they work, and, of course, where they stay when traveling.

This presents an exciting opportunity for hotels. By installing EV charging stations at their properties, hotels open up a whole new avenue to attract more guests, generate more revenue and ultimately boost their reputations as environmentally responsible businesses.

While 2030 may seem far off, there's no better time than now to invest in EV charging and gain a competitive edge.





THE WHY AND HOW OF IMPLEMENTING EV CHARGING

It's already evident that charging station availability is a deciding factor for EV drivers when choosing hotel accommodations. Hotels everywhere are starting to get more and more calls from potential guests asking if EV charging is available onsite. Some third-party booking companies, like Expedia, have added "electric vehicle charging" as a specific search filter on their websites. And EV drivers can even download smartphone apps specifically designed to search for hotels with charging stations.

So why aren't more hotels already jumping on the opportunity? Most are new to the idea and simply don't know where to begin or what to expect. There's a lot more planning, work and costs involved in the process than simply buying the equipment and hiring an electrician to do the installation.

Here's an overview of what the process generally looks like for a hotel:

- 1** The first step is to set a budget. The hotel calculates what percentage of its total parking spaces would ideally become EV charging spots. Then, the hotel needs to decide whether charging stations will be offered as a free amenity for guests, if they will be monetized and available to the public or if there will be a mix of both options. This decision determines what kind of charger—and how much power—the hotel will need.
- 2** Next, a load study is required to determine how many chargers the existing electrical infrastructure can handle. If necessary, the hotel will need to upgrade its power source.
- 3** Then, there's more groundwork to cover—applying for permits, conducting an engineering study and getting an engineer-stamped drawing of the plans. Depending on the property size, the hotel may also need a parking planner to analyze the project's impact on traffic patterns, then get final approval from the county.
- 4** Finally, the hotel can install its chargers of choice and put a plan in place for ongoing maintenance.

For hotels that don't have in-house experts to handle it all, this may seem like an overwhelming project. Fortunately, a few helpful tips can prevent any bumps in the road:

Over plan

First and foremost, EV charging stations are meant to attract travelers, then make their stays as comfortable and convenient as possible. Install too few chargers, and those guests will be fighting over limited spaces. To prevent this problem upfront, hotels should plan and budget for more than they think they currently need. A good rule of thumb is to initially go for 5%-10% of current parking spaces, then expand implementation in the future. It'll be well worth it to avoid unhappy guests in the long run.

Take advantage of rebates and incentives

Encouraging EV adoption is part of the big push to address climate change and create a more sustainable future. That's why the federal government, state and local governments, and even some utility companies are offering many great rebates and tax credits for purchasing and installing EV charging equipment. Hotels should explore all applicable incentive programs to maximize their budget.

Go for a hybrid model

Some businesses offer EV charging as a free amenity for patrons, while some offer it as a monetized service to the public. When it comes to hotels, it's best to go for a hybrid model that incorporates both options.

With this approach, the majority of charging stations are reserved for overnight guests. The remaining chargers are monetized and open to the public. When any EV drivers in the area search for available chargers, they'll find the hotel, pay to charge and maybe even have a meal at the onsite restaurant while they wait. It's a great way to generate revenue and build connections with potential guests.

Consider speed and costs when selecting chargers

Three levels of chargers are available in the market today:

- **Level 1:** Cost-efficient, but slow. They can take 40-50 hours to fully charge a battery electric vehicle (BEV).
- **Level 2:** More costly (about \$6,500 per charger), but much faster. They can fully charge a BEV in three-four hours.
- **Level 3:** The most expensive (around \$150,000), but the fastest by far. They can charge a BEV in just 30 minutes.



To get the best results from that hybrid approach mentioned above, hotels should go for a mix of Level 2 and Level 3 chargers. Most stations will be Level 2, where guests can charge for several hours overnight. Then, some monetized Level 3 chargers will bring in revenue from the public, as well as guests who want an even faster charge. This mix of products provides the perfect balance speed and cost.

The amenity versus monetized versus hybrid decision will also determine which EV charger manufacturer to go with. For example, some manufacturers offer better chargers than others for monetized stations.

Let an experienced consultant do the heavy lifting

Taking on an EV charging installation project requires a wide variety of skills, ranging from planning and budgeting to the technical side of things. The good news? An end-to-end EV consultant can do it all.

Many hotels are finding success partnering with an experienced end-to-end consultant that handles every step. This includes initial planning and budgeting, exploring all applicable incentives and rebates, navigating the paperwork and approvals, selecting and purchasing chargers, serving as a general contractor for installation, and finally taking on all ongoing maintenance.

The right consultant will make the whole project fast and easy, clearing the road for a smooth journey ahead.

Act fast!

Any hotel business that is interested in EV charging should act sooner rather than later. Those incentives mentioned earlier generally expire at the end of each calendar year, so hotels should take advantage of the money while it's still available.

Plus, it's never too early to invest in a project that benefits your business, your guests and the environment alike. And EV charging is a win-win-win all around.



Rich McNulty

Blue Whale EV / 8520-F Corridor Road, Savage, MD 20763

info@bluewhaleev.com / 855-293-8378 / www.bluewhaleev.com

About the Author:

Rich McNulty is the CEO of Blue Whale EV, an advisory and service organization to the EV charging community. He and his company help commercial and government clients through the entire EV charging adoption journey - from education to sales, installation, and ongoing maintenance. Rich comes to the EV charging industry after more than 30 years in the electrical contracting industry. In 2017, he founded Critical Peake Services, a licensed Commercial Electrical Contractor, and has served as its CEO since 2017.