



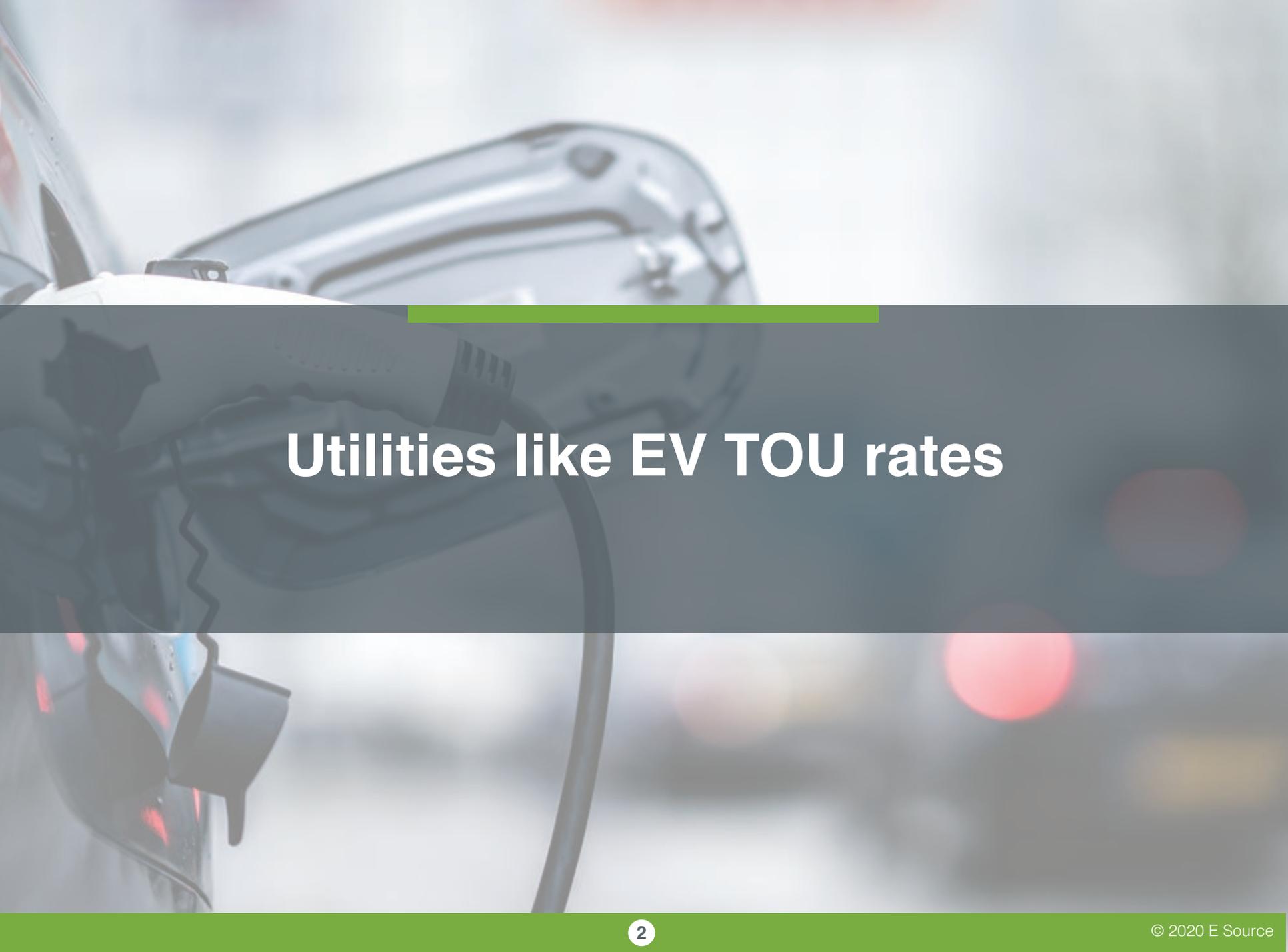
Stop calling electric vehicle rates “time of use”

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According to the E Source report “EV pilots and programs,” time-of-use (TOU) rates are the second most common electric vehicle (EV) utility incentives in the US. Customers like these rates because they can save money on their bill, and utilities like the rates because they smooth energy peaks and slumps. But it’s time to stop calling these incentives TOU rates.



Utilities like EV TOU rates

Anticipated utility rate changes

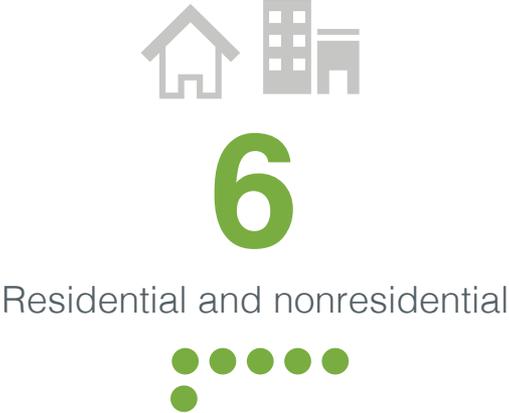
Is your utility planning to offer an EV TOU rate? If so, you're in good company. More utilities are considering EV TOU rates than any other rate option according to the [E Source Utility DER Strategy Benchmark](#), a voice-of-the-utility study of how utilities in the US and Canada are approaching distributed energy resources (DERs).

	Number of utilities (n)	Percentage of utilities (%)
EV time-of-use rates	22	63
Solar-specific rate change	20	57
Universal increased fixed charges	14	40
Universal time-of-use rates	11	31
Universal demand charges	8	23
Universal critical peak pricing	4	11

Base: n = 35 utilities. **Question:** S5_2. **Note:** "Other" and "None of the above" responses are excluded from the table. © E Source (2018 Utility DER Strategy Benchmark)

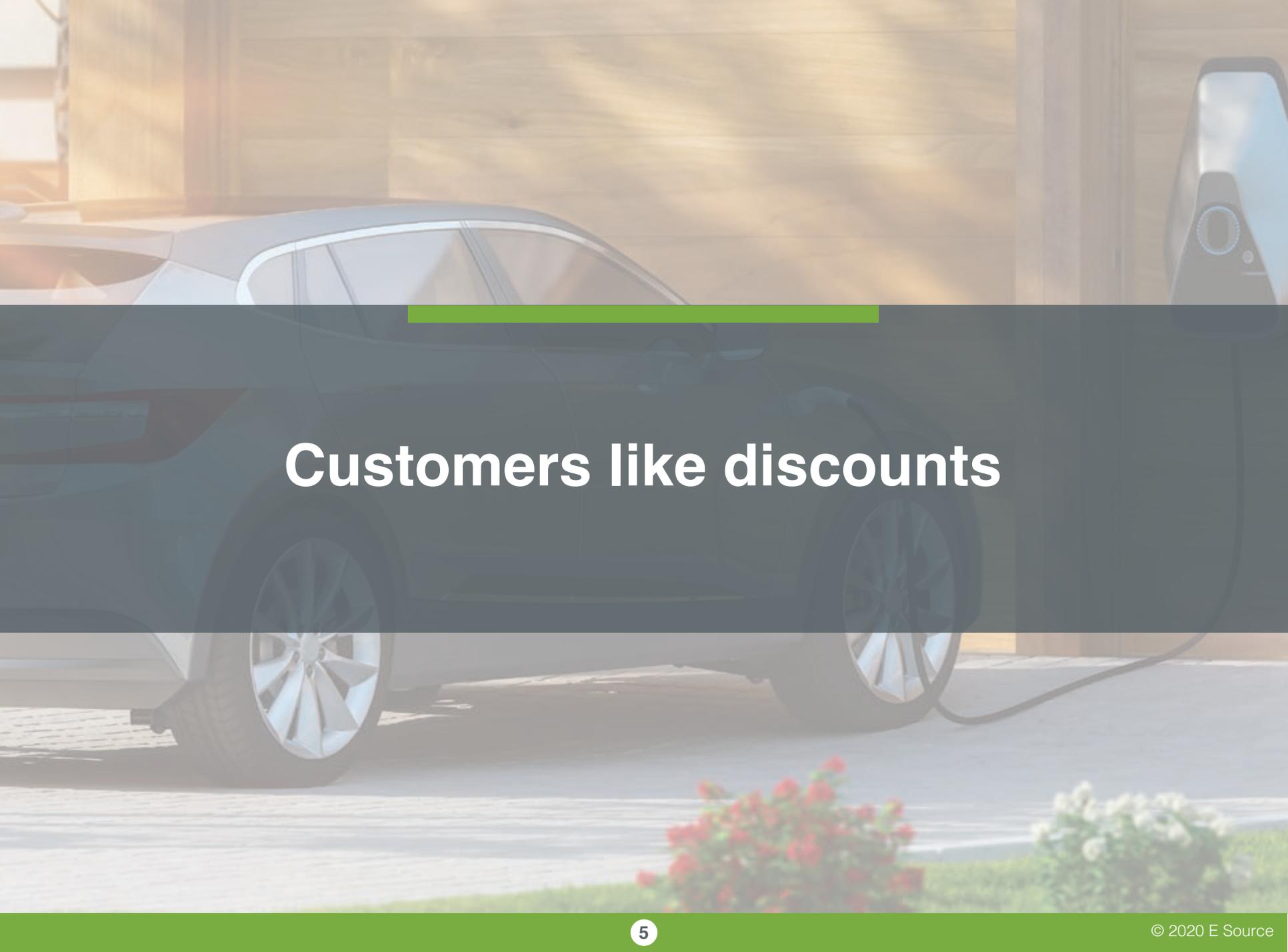
Utilities with EV TOU rate by sector

When E Source scanned nearly a hundred utility websites in 2019, we found that utilities are designing the majority of the EV TOU rates for residential customers.



Base: 39 utilities with time-of-use rates. © E Source





Customers like discounts

Customer interest in switching to a new rate

How are residential customers reacting to these new rates? A majority of residential customers said they would switch to a new rate if it would save them money.

66% 

I'd switch to the new rate and charge during the night because I want to save money.

34% 

I'd stay on my current rate even though I wouldn't get a discount. I don't want to have to worry about when I charge my car.

Base: Respondents from the US and Canada who own an EV but are not currently on TOU rates or are interested in purchasing an EV in the next 3 years (n = 878). **Question:** S5_11; S2_5; S2_6.

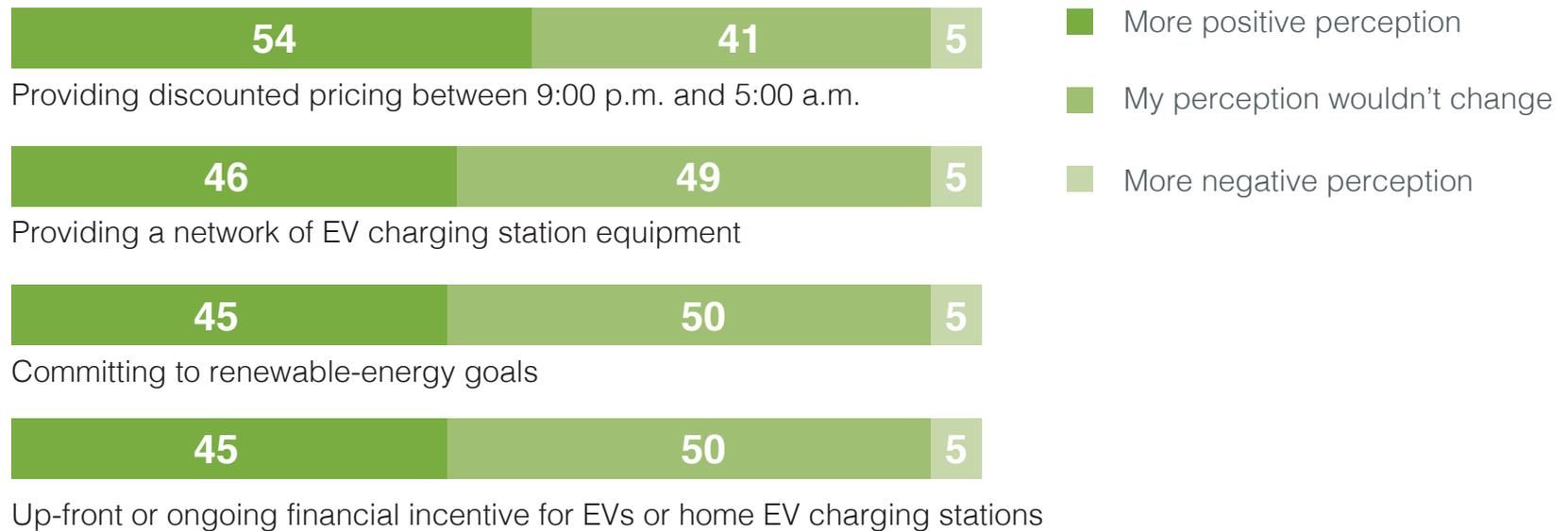
Notes: EV = electric vehicle; TOU = time of use. Customers who are likely to purchase an EV selected a 4 or 5 on a 5-point scale where 5 is extremely likely and 1 is not at all likely.

© E Source (2019 Residential Customer DER and Electrification Survey)

Perceptions of common EV-related utility programs

Residential customers have also told us that they have a positive perception of discounted charging at night.

Percentage of respondents, out of 100



Base: Respondents from the US and Canada (n = 7,496). **Question:** S5_12. **Notes:** EV = electric vehicle, PHEV = plug-in hybrid electric vehicle. Percentages may not add to 100 due to rounding. More options were available to respondents, but only the common utility programs are shown. © E Source (2019 Residential Customer DER and Electrification Survey)

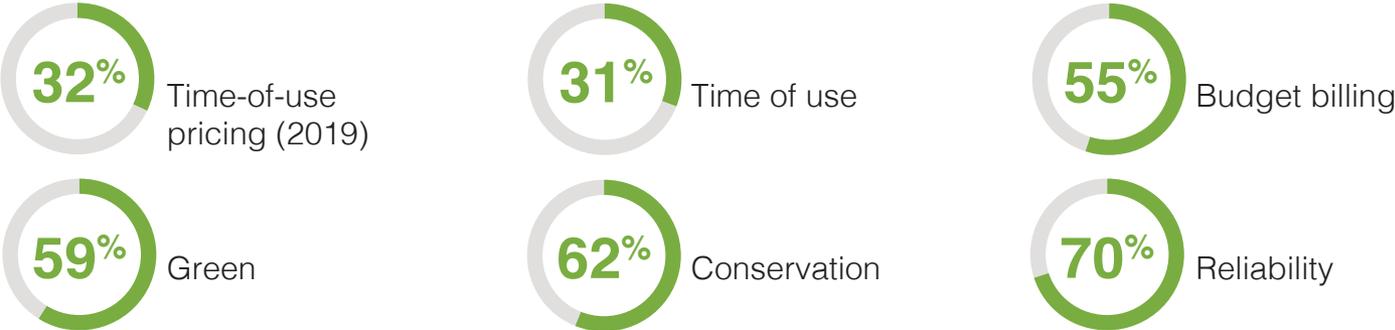


**Customers don't like
the phrase “time of use”**

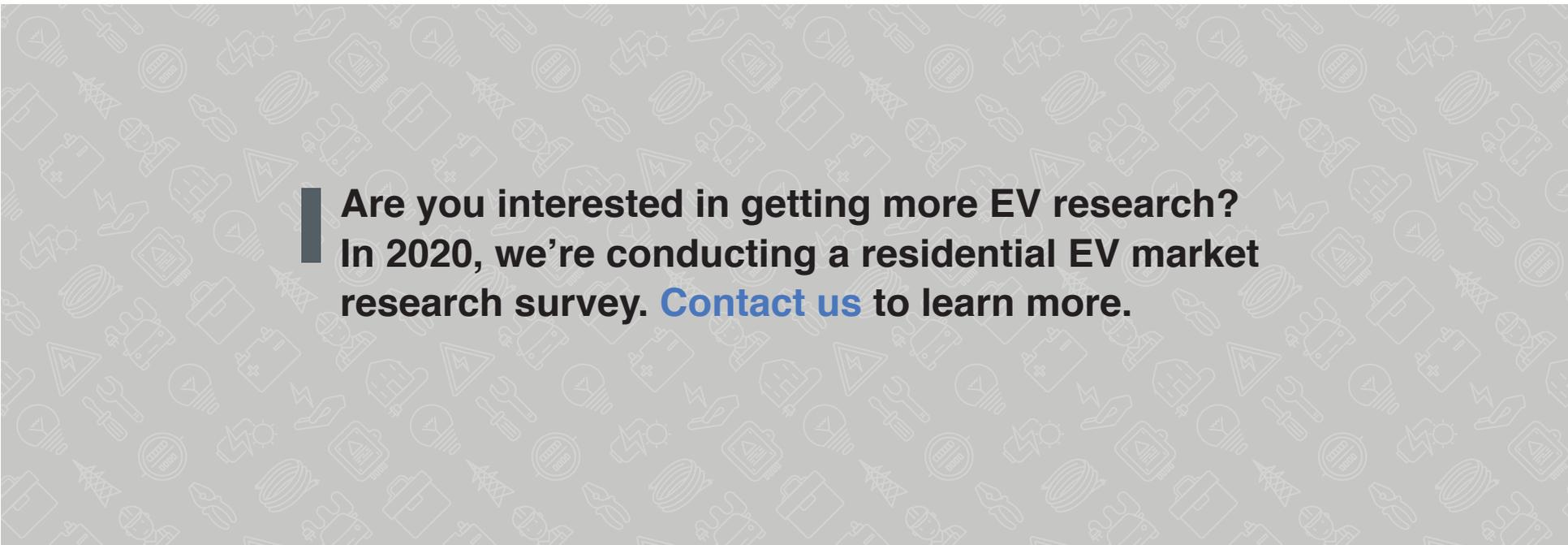
Customers with very or somewhat positive perception of terms

Despite customers' interest in discounted EV rates, our survey research from 2015 and 2019 shows that roughly only a third of residential customers rated their perception of the phrase "time of use" as very or somewhat positive. More customers had positive perceptions of terms like "budget billing," "green," "conservation," and "reliability." Consider naming your rate something as simple as "discounted pricing" to improve customer perceptions.

Percentage of respondents, out of 100



Base: Respondents from the US and Canada (2019: n = 7496; 2015: n = 3,000). **Question:** S2_3 (2019); S4_5 (2015).
Note: Any rating of a 4 or 5, on a 5-point scale, is positive. © E Source (2019 Residential Customer DER and Electrification Survey; Innovative Residential Rate Design and Pricing 2015: Customer Preferences and Acceptance—An E Source Multiclient Study)

A repeating pattern of various electrical and engineering icons in a light gray color, including light bulbs, gears, circuit boards, and tools, set against a darker gray background.

**Are you interested in getting more EV research?
In 2020, we're conducting a residential EV market
research survey. [Contact us](#) to learn more.**



For over 30 years, E Source has been providing market research, data, and consulting services to more than 300 utilities and their partners. This guidance helps our clients advance their customer energy solutions and enhance their relationships, while becoming more innovative and responsive in the rapidly evolving market.



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