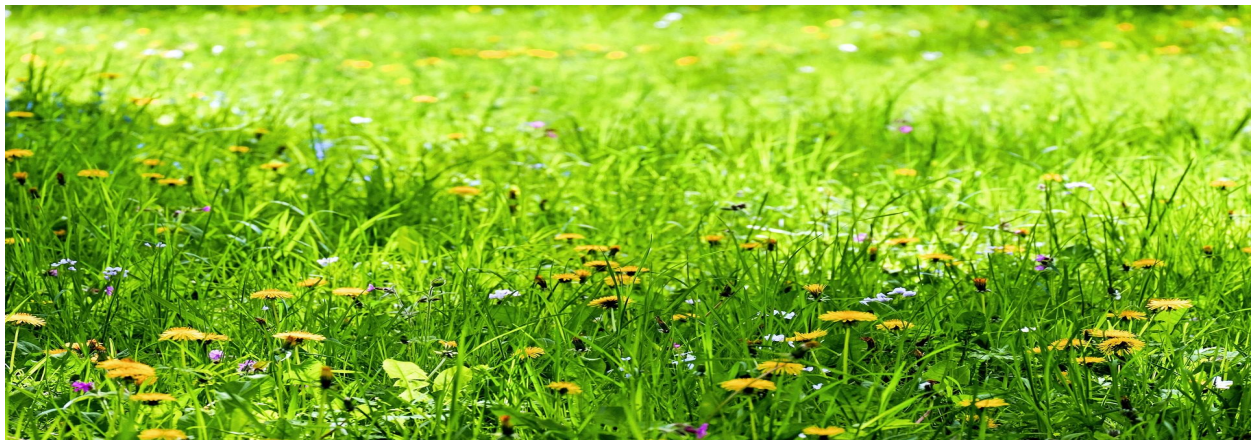


Igniting the EV Community : A New Methodology For Accelerating The Adoption Of Electric Vehicles.

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Paradigm shift

The clean energy future is upon us and while many recognize the benefits of sustainability, how we get there largely remains a mystery. Along with companies, cities and local municipalities have identified ambitious aspirations to achieve net-zero emissions by 2050. We are in the midst of a paradigm shift, rapidly moving away from fossil fuels towards clean energy technologies, including renewables and electric vehicles. Achieving these goals will require unprecedented investment in energy efficiency, renewables, charging infrastructure, and electric grid modernization. Accelerating this transition is complex and requires high levels of engagement and participation to affect the necessary behavioral change globally.

Accelerating the transition to a clean energy future is a massive and complex task and can lead to ineffective investments and policy decisions that deliver limited results. Conversely, a sound methodology can provide a more comprehensive approach and help policymakers, organizations and investors make better-informed decisions when developing strategies for advancing clean energy.

The No Matter What Framework

Ignite Coach Ron Mitchell JD, MBA. developed the No Matter What framework, a tool designed to achieve strategic goals through enhanced engagement. The below framework consists of four categories: Listen, Learn, And, Be Inspired. **Listen** focuses on deep stakeholder engagement to improve understanding of consumer sentiment, prevailing perceptions, and impediments for more accurate problem identification. **Learn** directs users to seek relevant key learnings and best practices from past implementations, different industries, or historical perspectives. The **And** category refers to the conjunction of diverse stakeholder inputs and the problem statement to identify optimal solutions. Finally, **Be Inspired** exposes stakeholders to targeted engagement, education, programs, and incentives that inspire desired action and ignite the community.



Below is a breakdown of the four phases:

I. **Listen:**

While most believe that a change in the way we use energy is inevitable, many believe the transition to renewables and electric vehicles will take decades. An evolution of this magnitude has far-reaching social, economic, workforce, industry, and consumer impacts requiring engagement with a wide range of stakeholders. Robust stakeholder engagement is mandatory to deliver diverse perspectives on consumer preferences and perceptions, market opportunities, and critical challenges to accelerating our clean energy future.

End-use consumers raise concerns about switching costs, range anxiety, lack of charging infrastructure, safety, and equity. Consumers also raise concerns regarding the reliability of the electric distribution grid. Some consumers are experiencing rolling outages due to imbalances in supply and demand; others are experiencing extended weather-related outages. Additionally, climate change provides compelling motivation for many consumers but largely ignores a myriad of supplemental benefits that potentially resonate better with others.

Electric utilities play a pivotal role in facilitating clean energy and decarbonization efforts. They must be reimagined as interactive platforms enabling the integration of clean energy technologies and shared energy resources. Transportation and beneficial electrification will require significant increases in generation capacity and a parallel shift from fossil fuels to renewables to meet rapidly rising demand. Many electric utilities have embraced renewables and electric vehicles, developing climate action plans and roadmaps which outline strategies to invest billions in clean energy and decarbonization related projects and programs. While this is good for accelerating progress toward our targets, these investments could result in higher consumer energy bills if not carefully managed.

The energy sector is experiencing rapid change driven by evolving environmental standards, rising demands for cleaner energy, and the integration of distributed energy resources. While many electric utilities have committed to the clean energy future and actively seek ways to accelerate adoption, these efforts are often hampered by outdated regulatory policies and ratemaking mechanisms. In fact, some local electric distribution companies are outright prohibited from participating in this transition in meaningful ways, such as installing EV charging stations or owning operating solar facilities.

While the energy industry can drive clean energy adoption, the regulatory approval process is long, discouraging investment and hampering innovation. Regulators must focus on evolving the existing regulatory environment to drive innovation and encourage utility investment in clean technologies.

According to the Environmental Protection Agency, the transportation sector is the largest producer of greenhouse gas emissions, making electrification a compelling solution. Accordingly, the Big Three US automakers have announced plans to invest billions in EV development and committed to targeting 40% to 50% of new vehicle sales being electric by 2030. While many automakers support stricter emissions standards, some oppose government policies intent on a rapid transition to electric vehicles. These opponents contend that such aggressive timelines for phasing out gasoline-powered vehicles are unrealistic and that policies do not leave room for competing technologies. They believe electrification is only part of the near-term solution. Electric vehicles are the future, but other technologies such as hybrid and hydrogen fuel cells can play a vital role in the transition and become more competitive over time.

II. Learn:

As legislators, policymakers, and industry leaders work to introduce regulations, programs, and incentives to accelerate consumer adoption, careful consideration must be given to past experiences. For example, we have come to know that predictability is an essential component of human experience. Research shows that customer satisfaction is primarily driven by how closely experiences and interactions match expectations. Another way to look at predictability is the consumers' ability to foresee the results of an experience or interaction accurately. Take your grocery store chain, for example; you know the exact location of your regular purchases and have come to expect a similar

experience regardless of the location. Physiologically, you feel confident, relaxed, and in control when you know what to expect. Consumer concerns about switching costs, range, and charging infrastructure are primarily driven by uncertainty related to a lack of predictability.

The pace of technology adoption is accelerating, offering clues to hastening the transition to renewables and electric vehicles. It took more than six decades for landline telephones to reach 40% adoption and nearly eight decades to reach almost every home in America. On the other hand, smartphones reached 40% adoption in roughly ten years and currently sits at 85% just a decade later. History's expensive luxury item has now become a necessity. One key takeaway from the smartphone market's maturation is that high costs relative to other available offerings can seriously impede the adoption of new technologies. Accordingly, the adoption rate was driven by customer education, persuasion, and incentive offerings in conjunction with short-term contracts and leases.

III. And:

The first and most critical step to achieving our clean energy aspirations is stakeholder outreach and education. Communities and stakeholders across all classes must embrace the environmental, economic, and societal benefits of a transition to clean energy. Federal, State, and Utility programs must engage stakeholders, educate and ultimately inspire adoption.

Electric utilities have an opportunity to implement innovative customer programs and pilot projects which simultaneously educate and spur consumer adoption. While some utilities are prohibited from installing, owning, or operating renewables and charging infrastructure, opportunities for alternative structures such as public/private partnerships abound. Utilities must proactively engage legislators and regulators, presenting strategic roadmaps demonstrating their value to the clean energy movement. For example, leveraging fleet vehicle-to-grid as a grid resource offers more creative use of clean energy technologies the opportunity to defer or eliminate costly capital expenditures. Utilities must leverage big data to deliver more flexible demand-side management dispatch capabilities, including load shedding and shifting.

Regulators and utilities should not develop policy and clean energy programs in silos. Regulators must be more collaborative, leveraging best practices from other states, utility industry expertise, and technology innovators to better understand impediments and develop solutions. Regulatory bodies must focus on removing regulatory barriers to innovation and streamlining the regulatory approval process. Regulators can accomplish this by adopting more flexible risk/reward frameworks that incentivize utility investment in new programs and technologies.

IV. Be Inspired:

To engage stakeholders, communities and inspire the adoption of electric vehicles through a purpose-driven culture. When evaluating or developing strategies for increasing user adoption, the Three C's Approach: Common Sense, Common Knowledge and Common Practice is a valuable methodology for igniting the EV revolution and accelerating the adoption of electric vehicles. To pave the way for mass adoption, charging stations must become more ubiquitous, not just in home garages, office parking lots, and highway rest stops. Businesses and municipalities currently offer rebates to EV owners to install charging stations in homes and multi-dwelling units. Unfortunately, to date, these incentives and rebates have failed to inspire a large-scale adoption of electric vehicles.

Common Sense refers to having sound judgment based on simple facts rather than specialized knowledge. To help consumers view electric vehicles as a practical and common-sense solution,

program implementers must offer a more comprehensive approach to incentives, loyalty programs, and discounts. For example, incentives could be coupled with healthcare benefits, affinity programs, retail discounts, and other community aspects to increase adoption.

Common Knowledge is something that many or most people know. To date, most consumers have little knowledge about the benefits of electric vehicles. Consequently, the percentage of EV owners remains relatively low. To achieve large-scale acceptance, one can leverage the approach used to inspire the adoption of smartphones. While incentives fueled smartphone penetration, its success can be traced back to consumer education. Educating consumers on the benefits encouraged adoption and accelerated the maturation of the smartphone marketplace. Therefore, consumer education must be the foundational building block that inspires the community to embrace the electric vehicle revolution. Common practice is a usual or accepted way of doing things. It is a common practice for families to attend church together. Likewise, electric vehicle use must also become a common practice in communities. The strategies for stimulating EV penetration must promote and ensure the accessibility of charging stations in local communities and around the country to combat the fear of uneven and limited charging infrastructure while traveling long distances or in rural areas. Additionally, program implementers must engender hope and belief within communities by demonstrating that electric vehicles create health, societal and economic benefits in addition to the environmental impacts frequently espoused.

Continuous improvement is required to accelerate the adoption of electric vehicles. It is an ongoing activity, delivering incremental enhancements over time rather than massive upfront improvement. As the world evolves and new challenges arise, our approach to advancing clean energy must expand. Implementing the Listen, Learn, And, Be Inspired framework provides an iterative approach to stakeholder engagement, problem identification, solutioning, and inspiring community action.

