EV Charging 101: More Than Plug-In Points

INVESTOR INSIGHTS | OPPORTUNITY & MARKET BASICS

Electric Vehicle (EV) charging stations are the modern-day equivalent of gas stations for electric cars, and they're a key part of the infrastructure powering the shift to cleaner, smarter transportation.

There are two primary types of EV chargers:

- **Level 2 Chargers** – These are commonly found in commercial or residential locations and can fully charge most vehicles in 4 to 8 hours.
- **DC Fast Chargers** – Designed for high-traffic areas, these can charge vehicles in 30 minutes or less, making them ideal for drivers on the go.

Revenue Streams from EV Charging

An EV charging station can generate revenue in several ways:

- **Per-Use Charging Fees**: Users pay by the session or kilowatt-hour.
- **Fleet Contracts**: Powering EV fleets for companies like Amazon or Uber.
- **Utility Incentives**: Earning rebates through grid services and load balancing.
- **Retail Integration**: Chargers placed near retail centers benefit from co-location, increasing customer dwell time and opening doors for advertising or leasing arrangements.

> *“Tesla May Have Accidentally Created a Potential $5 Billion EV Charging Business” … Investment bank Piper Sandler & Co. estimates this could yield Tesla $5 billion annually within a decade.*
>
> *— Time*

The BESS Advantage

When integrated with Battery Energy Storage Systems (BESS), EV charging can become even more profitable and resilient. BESS allows operators to store electricity when it's cheapest, often during off-peak hours, and use or sell it when prices spike. This process, known as energy arbitrage, can dramatically improve operating margins.

Bottom Line

EV charging stations can be more than plug-in points. They are adaptable infrastructure assets with the potential for multiple revenue streams. And when combined with BESS, they can transform into high-performance, value-generating hubs that represent exactly the kind of opportunity forward-thinking investors seek.