

## Open Electric Vehicle (EV) Charging Network

### Clean Technology Charging Stations



**Pasquale (Pat) Romano**  
CEO

**BIO:** Pat was formerly the President and CEO of 2Wire which was acquired by Pace plc for \$475M. Prior to co-founding 2Wire, Pat held several engineering and marketing positions at Polycom. In 1989, he co-founded Fluent, a digital video networking company, and served as chief architect until the company was sold to Novell in 1993. Pat earned his undergraduate degree in computer science from Harvard University, and received his master's degree from the MIT Media Laboratory. Pat is a hardcore triathlete who has competed in 4 Ironman races to date. When not on a bike, in the water, or pounding the pavement, Pat cruises from point A to B in his Tesla Model S.

#### About ChargePoint:

ChargePoint is the largest and most open electric vehicle (EV) charging

network in the world, with more than 14,000 charging locations and a 65%+ market share. Ranked #1 by leading independent research firm, Navigant Research, ChargePoint makes advanced hardware and best-in-class cloud based software. ChargePoint's open network is utilized by many leading EV hardware makers and encourages all EV charging manufacturers to join.

ChargePoint also manages the only mobile app that provides EV drivers with real-time information, including availability of charging locations throughout the nation. Every 11 seconds, a driver connects to a ChargePoint station and by initiating over 3 million charging sessions, ChargePoint drivers have saved over 2.6 million gallons of gasoline and avoided 20 million pounds of CO2 emissions.

For more information about ChargePoint, visit [www.chargepoint.com](http://www.chargepoint.com).

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFO Magazine**

**CEOCFO:** Mr. Romano, what was the concept when you started ChargePoint and where are you today?

**Mr. Romano:** I wish I could say that I started ChargePoint, but I did not. I joined it a little over three years into its existence. February 8<sup>th</sup> 2011 was my first day on the job. The company was founded on a very simple premise; that electricity was going to dominate the alternative fuel landscape for the future. If electricity dominated the alternative fuel landscape people were going to need infrastructure to charge in public places; where they work, where they shop, where they go to school, places like that and any place

that they are going to be parked for an hour or more. Electric Vehicles and the plug-in model make it impossible to ever return to the gas station model. An EV will not have the equivalent of gas tank where a little yellow light comes on once a week and you head to a charging station and charge. Once you remove that option from your thinking it becomes a park and charge model: essentially a top off model. Then you think about all of the business requirements for turn-key, cloud based solutions, so that people can install EV charging infrastructure to support their customers or their employees. The premise of the company was founded on the overriding assumption that electricity was going to be the alternative fuel of the future and then fast forwarding all the way to it being in every parking lot and you needed to make it turnkey and simple for everyone to put in. Because it was unattended, meaning there is not going to be a gas station attendant sitting there to administer the little depot, the problems shifted to what kind of cloud service can be brought to the market to enable that to be painless for whatever business owns that parking lot.

**CEOCFO:** Your website indicates that ChargePoint is the largest network of independently owned electric vehicle charging stations. How is it been deployed so far? Where are the locations? How is it working?

**Mr. Romano:** ChargePoint is the largest and most open network of public charging stations in the world with over 14,000 charging locations. We do not own the stations and therefore, we are not deploying. The stations are purchased by businesses and municipalities that want to offer EV charging services to their

employees, customers or residents. As a result, it is growing organically. Think of it as crowd funding the largest network of EV chargers in the world. That means that each little business that owns a parking lot; some of them not so little, makes an independent decision that they want to offer charging, for whatever reason. The reasons are varied depending on the segment. They decide to install a charging station but are also mindful of the fact that drivers want to interact with one seamless network. Each station owner wants local control of pricing and who can access it in addition to other policies. That is what ChargePoint provides – and how we differ from many competitors.

**CEO CFO:** Do you provide the equipment as well as the infrastructure?

**Mr. Romano:** ChargePoint allows for multiple different hardware options to run on our network. We have the most open network and as a result, many hardware partners are able to provide hardware. ChargePoint offers a unifying, cloud based service.

**CEO CFO:** Is it a transactional model? What is your business concept?

**Mr. Romano:** Our business model is focused on what is best for the driver and the station owner. With ChargePoint, station owners have the ability to decide how best to align charging with their business. In some cases they want to offer it for free to their best customers or to any of their customers. In some cases they would like to charge a fee for it. In other cases they want to charge some people and not others. Therefore, there are hybrid models. We do not get in the way of that. We provide the tools to let businesses decide who they want to allow the access to those stations and how they want to charge them, in the payment sense. Our stations also provide drivers with a range of features that allow them to monitor driving and charging usage information and access real-time data to see what charging stations are available or currently occupied.

We make money consistently through an annual subscription fee to be on ChargePoint, independent of the transactions. We take a very small percentage of this transaction, to essentially cover our costs. That is because we have costs associated with processing transactions. However, our primary business model is the annual subscription fee for the port.

**CEO CFO:** Do your potential customers understand easily the concept of having a unified service like ChargePoint? Do they get it immediately? Is there an “aha moment” when they realize, not only should we be providing charging stations, but ChargePoint is the best method?

**Mr. Romano:** There are stages that customers go through to understand charging. They enter their conversation with us, potentially far

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along in their thinking or not far along at all, so it varies. However, first a customer has to decide they want to take the plunge and support electric vehicles in their parking lot. The first question is, “Do I want to offer charging in my parking lot at all?” Once they get past that, once that answer is yes and then the question is, “Do I want a network charger? Do I want to make my chargers part of a larger ecosystem or do I want unconnected, essentially ‘dumb’ chargers?” Obviously, if they decide they want network chargers, which the lions share does, then the next question is, “Of my choices of people or companies that can offer me a network charging solution, which is the best one?” That is where the ultimate ChargePoint decision gets made. It is at that third step. We engage with customers and just educate them to help them make a decision that hopefully results in them selecting us at the end of that conversation.

**CEO CFO:** Why is ChargePoint the best?

**Mr. Romano:** Why are we the best? Our business model is unique in that it allows our customers to have a lot of local control. Think about ChargePoint from a station owners perspective. We give each one local control of access, pricing and other policies and still provide features to ensure it is one unified network for drivers including providing maps with real-time data of available stations on our website and mobile applications. In addition, many new car manufacturers include this real-time data into their navigation systems. However, we do not have any of the negatives associated with forcing common policy across all businesses. I think that is one of the main reasons that we are very, very successful and the best choice out there. The second is that our product works very, very well. It is extremely feature rich as a result of the company being six years old in a two year old market. We are the first. We have the best product, provide the best features and experience for drivers and provide customization to station owners.

**CEO CFO:** Is there a group of potential locations where people have not realized are a good spot? You have mentioned some that most people would think of, but are there places where charging stations really would make sense, but just have not gotten there yet, overall?

**Mr. Romano:** Of course, there actually quite a few. This is a very early market. People are just starting to understand why they should engage in the industry, why EV drivers are good for business and why providing drivers with charging infrastructure is good for business. There are only one hundred and thirty thousand or one hundred and forty thousand cars out there right now and thirteen thousand ports of infrastructure. Therefore, it is very, very early in the market, relative to where it should be and where it needs to be. Most people are asking that question.

**CEOCFO:** What is your plan for the next year or two? How will you continue to grow the business?

**Mr. Romano:** At this stage, since the ChargePoint business model is working, it will stay pretty constant for the foreseeable future. I do not see any reason for changing it. For us, growth is about awareness and now we are turning our marketing efforts to educating potential customers on the many benefits of owning EVs and installing charging stations. We are focused on growing the market which will continue with an educated. As awareness rises, ChargePoint will continue to hold our market share.

**CEOCFO:** Would you tell me a little bit about the international component of your business?

**Mr. Romano:** We are strong in Canada and Australia, the first beachheads we have internationally. We are planning to continue to roll out internationally in a careful way. ChargePoint is a very broad solution. Therefore, we need to make sure that we do everything necessary to drive policy wherever we are rolling out. There are many government policies that are important to get right around EV charging. We have to establish partners, channels and sales force in local regions. Then we have to localize the products to whatever idiosyncrasies are required by each local market. Funding becomes increasingly important as we expand to new markets. Canada and Australia are huge success stories for us and we will continue to replicate that in multiple regions.

**CEOCFO:** What surprised you as the company has developed and as you have been at the helm?

**Mr. Romano:** The number one surprise has probably been how incredibly passionate drivers are about EVs. The people buying cars right now are pretty normal car buyers but become completely enthralled with EVs after realizing the many benefits.

The other thing that continues to surprise me is not only do they love their cars, they also plug them in everywhere they can. We knew this existed but it has exceeded our original expectations. They are incredibly loyal to locations that provide EV charging locations to support their EV habits. Also, we thought there would be more of a difference between the plug in hybrid driver and the “all battery” vehicle driver. We assumed that plug in drivers would buy us and plug in slightly more infrequently because he has a gasoline engine. What we’ve realized is that people who buy plug in hybrids with gasoline engines hate driving on gas as much as someone who buys a battery electric vehicle. Because they have smaller batteries, they plug in more often. It was surprising to see that borne out in data. However, we have more than three million charging sessions on ChargePoint (you can find the most up to date figures including charging locations on the homepage of our website) Therefore, we have a lot of data on driving and charging behavior. It is just amazing how much people hate being on gasoline once they own an EV. It doesn’t matter whether the EV they’re driving has a gas engine or not – across the board, they hate driving on gasoline.

**CEOCFO:** What have you learned as a tri-athlete that you bring to your leadership role? What are some of the lessons that you carry with you?

**Mr. Romano:** There is a tremendous amount of overlap. First of all, I like to participate in longer distance triathlons, half and full ironman triathlons. It is a true endurance race. Endurance races give you incredible patience and give you the focus needed to complete a project that takes a long time to evolve. From a competitive perspective it also teaches you very much. When you are racing a competitor in an endurance event and you look to your right and you see

them potentially passing you, you learn you will not see the signs of failure on the exterior. They will look like they are running fine, shoulder to shoulder and you know from experience that when they crack, they crack precipitously and they fall off. Therefore, no matter how bad you hurt in a race, you keep pushing. That is because the guy next to you probably hurts more than you do and when he cracks he is not going to show any signs. He is just going to explode into a million pieces and disappear. It gives you a lot of confidence in competition to just continue to push. I just did Ironman Lake Tahoe, not even two weeks ago and that race was probably one of the most difficult ironman courses on the circuit. With that one, if you did not have a very, very well thought through race plan you would have a difficult time, even if you were a super accomplished professional triathlete, executing that race well. To sum up, it teaches you a planning component, a patience component and a consistency component in training. That is because you have to be very consistent in your training and very organized. It teaches you pacing. It teaches you to ignore pain, especially when you are in competition with someone and ignore the outward signs of other companies that are competitors, because they could crack at any moment. You just have to keep running your own race. It just teaches you so much.

**CEOCFO:** Why does ChargePoint stand out as an exceptional company for investors and people in the business community?

**Mr. Romano:** It was the first mover. It has a proven business model. That business model was conceived of before there was an ability to it. It is focused on the entire solution, from station owner to driver and all of the elements in between that are needed to make this simple and easy to deploy.

# ChargePoint

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