



June 6, 2018

Mr. Patrick Wruck
Commission Secretary
British Columbia Utilities Commission
6th Floor, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

Please find enclosed responses from the British Columbia Ministry of Energy, Mines and Petroleum Resources to Information Requests No.1 received as part of the British Columbia Utilities Commission Inquiry into the Regulation of Electric Vehicle Charging Service (Project No.1598941) from:

- the British Columbia Utilities Commission (Exhibit A-20);
- the BC Sustainable Energy Association and Sierra Club BC (Exhibit C6-3);
- the Commercial Energy Consumers Association of BC (Exhibit C24-12);
- **ChargePoint (Exhibit C25-6); and**
- the Vancouver Electric Vehicle Association (exhibit C30-5).

If you have any questions regarding these responses or require any further information, please contact Shannon Craig at Shannon.Craig@gov.bc.ca or 778-698-7016.

Thank you.

Sincerely,

Les MacLaren
Assistant Deputy Minister
Electricity and Alternative Energy Division

Enclosures

**BC Ministry of Energy, Mines and Petroleum Resources
Response to Information Request No. 1 from ChargePoint**

**British Columbia Utilities Commission
Inquiry into the Regulation of Electric Vehicle Charging Service**

Project No. 1598941

June 6, 2018

**1.0 Reference: Exhibit C19-2, MEMPR Written Evidence, p. 10
Role of Regulation**

On page 10 of Exhibit C19-2, the MEMPR indicates in its response to question three of the Inquiry regarding the Commission's role in regulating charging services, that "Regulating Level 1 or 2 charging service providers as "public utilities" will likely be a detriment to private investment and the expansion of these services in BC" and that some form of class exemption may be warranted for these types of charging stations."

The MEMPR also notes on page 10 of Exhibit C19-2 that "There may be benefits to some form of Commission regulation of Level 3 charging services. A complaint-based form of regulation may be sufficient to address concerns regarding fairness of rates"

- 1.1 Please confirm that the MEMPR has not observed fairness issues with DCFC ("Level 3") rates with the infrastructure currently in place, i.e., charging prices that reflect the exercise of market power. If not confirmed, please fully explain your response.

RESPONSE:

MEMPR has not observed fairness issues with DCFC rates with the infrastructure currently in place.

- 1.2 Please fully explain why MEMPR believes there may be benefits to Commission regulation of DCFC services but not Level 1 or Level 2 charging services.

RESPONSE:

MEMPR has based this opinion on the principles that the Commission adopted for the AES Inquiry, namely that the Commission should only regulate where necessary, and that regulation should not impede competitive markets. For Level 1 and Level 2 charging stations, there appear to be no barriers to entry, which is one of the characteristics of a competitive market place. For Level 3 charging stations, there are barriers to entry.

The current variety of both public and private Level 1 and Level 2 EV charging stations in terms of ownership and fees suggest that customers do have a choice of service provider for these two types of charging service. Level 3 stations are much more limited in availability. Currently, customers requiring Level 3 charging services (e.g., those on longer trips) have limited choices.

Regulating Level 1 or 2 charging service providers as "public utilities" will likely be a detriment to private investment and the expansion of these services in BC. Any concerns regarding safety could be regulated by other agencies. This means that the Commission may not need to play a significant, or any, role in the regulation of Level 1 and Level 2 charging services. As a result, some form of class exemption may be warranted for these types of charging stations.

**2.0 Reference: Exhibit C19-2, MEMPR Written Evidence, p. 2
Support for Direct Current Fast Charging (DCFC) Deployment**

The MEMPR has taken an active role in supporting EV adoption and charging infrastructure deployment in the province. As noted on page 2 of Exhibit C19-2, initiatives through the MEMPR's Clean Energy Vehicle program (i.e., vehicle and charging infrastructure incentives, education and outreach, and fleet support) along with policies and programs associated with BC's *Greenhouse Gas Reduction Regulation* and the Pacific Coast Collaborative, have positioned the province as a leader in EV market share and policy in Canada.

In addition to these efforts, the MEMPR notes that it is using a modeling tool to assess the number of DCFCs required to facilitate reliable travel across the province, and that initial modeling results suggest that a minimum of 200 DCFC stations are required to adequately cover "travel along all of BC's primary and secondary highway corridors"

2.1 Does the MEMPR intend to support the deployment of DCFC stations along BC's primary and secondary highways to facilitate reliable travel across the province? If so, will the province own and operate these stations, or will the province provide funding to other entities to own and operate these stations? Please fully explain your response.

RESPONSE:

Yes, MEMPR has supported and continues to support the deployment of DCFC stations along BC's primary and secondary highways to facilitate reliable travel across the province. The Province will own and operate a limited number of stations at select locations. For example, the Ministry of Transportation and Infrastructure owns and operates a station at the Loon Lake Rest Area on Highway 97C. Other DCFC stations will have a provincial contributor with other funding partners.

2.2 Does the MEMPR see a role for private investment in helping to deploy DCFC stations across the province? Please fully explain your response.

RESPONSE:

Yes, MEMPR sees a role for private investment in helping to deploy DCFC stations across the province. MEMPR supports a role for public utilities in "kick-starting" the market for EV charging services. A role for public utilities would not preclude other entities from also investing in EV charging services.

2.3 If there is a role for private investment, does the MEMPR anticipate the regulation of DCFC stations would have any impact on this type of investment, and if so, what would these impacts be? Please fully explain your response.

RESPONSE:

Whether and how private investment in the DCFC charging market is impacted by regulation in the future depends upon the form of regulation. Currently in BC, parties providing EV charging services for compensation are considered public utilities, and subject to regulation by the Commission under the *Utilities Commission Act*. The associated real or perceived regulatory burden may be an obstacle to the deployment of public EV charging infrastructure across the province because of the time and resources that are required to make an application to the Commission. If some or all of this regulatory burden was lifted in the future, the barriers to private investment would be lessened.

2.4 Does the MEMPR anticipate setting a provincial target of 200 DCFC stations based on the modeled results? Please fully explain your response.

RESPONSE:

The Province's objective is to ensure that reliable, efficient travel is possible for electric vehicles on all primary and secondary highway corridors throughout British Columbia. Currently, the Province does not have plans to set a target for a specific number of DCFC stations. The figure of 200 stations is a suggested minimum to achieve Provincial objectives, resulting from computer modelling simulations to determine approximately how many and where DCFC sites are required.