

March 28, 2019

VIA E-FILING

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



Reply to: Leigha Worth
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Ph: 604-687-3034
Our File: 7700.101

Dear Mr. Wruck,

Re: British Columbia Utilities Commission Inquiry into the Regulation of Electric Vehicle Charging Service – Phase 2

We represent the BC Old Age Pensioners' Organization, Active Support Against Poverty, Council of Senior Citizens' Organizations of BC, Disability Alliance BC, Tenant Resource and Advisory Centre, and Together Against Poverty Society, known collectively in regulatory processes as "BCOAPO et al." ("BCOAPO").

Enclosed please find the BCOAPO's Final Argument with respect to the above-noted matter.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,
BC PUBLIC INTEREST ADVOCACY CENTRE

Leigha Worth
Executive Director | General Counsel

Encl.

**BC OLD AGE PENSIONERS' ORGANIZATION, ACTIVE SUPPORT AGAINST POVERTY,
COUNCIL OF SENIOR CITIZENS' ORGANIZATIONS OF BC,
DISABILITY ALLIANCE BC, TENANT RESOURCE AND ADVISORY CENTRE,
AND TOGETHER AGAINST POVERTY SOCIETY ("BCOAPO")**

**BRITISH COLUMBIA UTILITIES COMMISSION INQUIRY INTO THE REGULATION OF
ELECTRIC VEHICLE CHARGING SERVICE – PHASE 2**

Intervener Final Argument on Revised Scope

March 28, 2019

Please be advised that we make the following final argument regarding the above-noted application on behalf of our client groups known in this and other regulatory processes as BCOAPO or BCOAPO et al. The constituent groups of BCOAPO et al. represent the interests of low- and fixed-income energy consumers within BC and more specifically in this process, the interests of BC's low and fixed income electrical residential ratepayers and drivers who may be impacted by a decision regarding the regulation of electric vehicle charging stations.

Issue #1: In the absence of price regulation, how can EV charging providers that are not otherwise public utilities (which would be exempt from regulation in accordance with the Panel's recommendation) be protected from being undercut by non-exempt public utilities? Should non-exempt public utilities be restricted to participate only in remote geographical locations that are currently uneconomical for exempt EV charging providers to serve?

Issue #1 a): In the absence of price regulation, how can EV charging providers that are not otherwise public utilities (which would be exempt from regulation in accordance with the Panel's recommendation) be protected from being undercut by non-exempt public utilities?

In considering the question of whether EV charging providers that are not otherwise public utilities need to be protected from being undercut by non-exempt utilities it is particularly useful to look at the submissions/evidence provided by the exempt EV charging providers

themselves. Chargepoint Inc. took the position that the coexistence of these two regulatory models is desirable because regulated utilities play a role in supporting this emerging market, “utility EV charging initiatives should (therefore) be reviewed on a case-by-case basis in the normal course, taking into account market and customer needs and the likely impact on the competitive market”¹. Its submission also observed that, “[a] number of jurisdictions in the US support both utility and third-party EV charging provider participation in the market, and several of these jurisdictions have passed laws and developed guidelines for program evaluation that require consideration of competition and customer choice.”²

Greenlots viewed the existence of the exempt and non-exempt utilities under their separate regulatory models as complementary and that, “[t]he question of whether regulated EVSE development could undercut private EVSE is contingent upon the assumption that those market segments are being appropriately served by the private market, which in the majority of cases they are not. This concern simply does not follow from any evidence the market has seen in North America”³. Greenlots also stated: “With respect to “protecting” private market participants, in those few segments where they are participating, the Commission can and should through its regulation of utility involvement be involved in setting appropriate prices. For example, prices can be set at the average of what any potential private market participants are offering charging services at, and stakeholder groups can be created to monitor regional pricing to be reported back to the Commission”⁴.

AddÉnergie Technologies Inc. (AddÉnergie) also stated:

“The Commission can take actions to support the co-existence of non-exempt 1 public utility and exempt public utility investments. Some actions that could support competition, while still permitting non-exempt public utilities to make the

¹ Exhibit C25-12, page 5

² *Ibid.*

³ Exhibit C15-7, page 1

⁴ *Ibid.*, page 3

investments required, could include ensuring that non-exempt public utilities pay the same costs for charging station connection and operation as exempt public utilities, including applicable electricity rates. The BCUC could also set requirements for EV charging fees that require non-exempt public utilities to recover a minimum percentage of the costs of deployment and operation, assuming that the charging stations have high utilization. In other words, non-exempt public utilities could set rates for charging services that are sufficiently high to recover costs, assuming that the stations (as a pool) reach an assumed utilization threshold”⁵

In all three cases there was agreement that the Commission needs to be involved in order to ensure that the participation of non-exempt utilities as charging providers is fostering a competitive market. In BCOAPO’s view this, by definition, would need to include a role for the Commission in “regulating” the prices charged by non-exempt utilities for EV charging services.

However, in BCOAPO’s view there are reasons for the Commission to be involved in the regulation of the prices charged by non-exempt utilities for EV charging services that go beyond the need to protect exempt market participants. These include:

- 1) The protection of other ratepayers – if non-exempt utilities provide EV charging services and the cost of providing the service (i.e., cost of the EV charging infrastructure and electricity itself) is included as part of the regulated revenue requirement, then the price non-exempt utilities charge for EV charging services will directly impact the degree to which the cost of providing such services are recovered from the users of the service and therefore the extent, if any, that other ratepayers are cross subsidizing EV charging services.

⁵ Exhibit C-20-7, page 6

- 2) The protection of EV charging customers – in those instances where non-exempt utilities offer EV charging services in areas that are currently not served by others and, therefore, there is no competition.
- 3) Our clients also see that how the non-exempt utilities might participate in the market will have an effect on the uptake of EV and a competitive market for EV charging services – if the objective of having non-exempt utility involvement in providing EV charging services is to kick start the market⁶, then the prices charged by non-exempt utilities should reflect the price for EV charging services that is likely to exist in competitive EV charging market after reasonable uptake of electric vehicles has been achieved. If the prices charged by non-exempt utilities are too low, they will preclude the entry of exempt providers and inhibit the development of a competitive EV charging market. If the prices are too high, they will unnecessarily discourage the uptake of electric vehicles.

Issue #1 b): Should non-exempt public utilities be restricted to participate only in remote geographical locations that are currently uneconomical for exempt EV charging providers to serve?

If, as suggested by Ministry of Energy, Mines and Petroleum Resources (the “Ministry”), the reason for involving non-exempt public utilities is to “kick-start” EV and EV charging market so as to achieve the Clean B.C. targets, then, as ChargePoint suggested utilities proposing to invest in EV charging services should be required to demonstrate “how their participation can support the long-term stability of the existing competitive market and how utility investments can complement, accelerate, and remove barriers to the provision of EV charging services overall.”⁷ A similar view was expressed by Mr. Guthrie when he suggested that installations by non-exempt utilities could be approved on a case-by-case basis where they “would justify that the proposed expansion impact on the existing and potential market”⁸.

⁶ Per Ministry of Energy, Mines and Petroleum Resources submissions at the February 27, 2019 Procedural Conference, page 762

⁷ Exhibit C25-12, page 6

⁸ Exhibit C16-6, page 1

Overall, BCOAPO expects the activities of non-exempt public utilities to be focused on those areas/locations where the market EV charging market is under-served. Clearly this is likely to involve the more remote geographic areas of the province where it is currently uneconomic for exempt EV charging providers to provide service. However, this expectation does not mean our clients wish to see non-exempt utilities limited to specific regions of the province. Participation should be permitted in any area if the case can be made that such participation will help address barriers or impediments to the development of competitive market. However, it is clear that such a case is more readily made in remote or underserved areas.

While BCOAPO accepts the Ministry's position that the purpose of non-exempt utility involvement in providing EV charging services is to kickstart the market, it is important to note that the provincial government should also play an important role in ensuring that adequate charging infrastructure is available. To increase investment in charging infrastructure, the government could provide financial incentives in the form of grants, tax credits, and rebates.

Issue #2: Removed

Issue #3: For EV charging services provided by non-exempt public utilities participating in the EV charging market, should EV charging customers constitute a separate class from which costs associated with EV charging infrastructure is recovered?

In our view, there are really two questions here. The first is: Should EV charging customers constitute a separate class? The second is: Should the costs associated with EV charging infrastructure be recovered from this class?

Issue #3 a): Should EV charging customers constitute a separate class?

To the extent unique rates (i.e., a rate different from that currently charged to residential, commercial or industrial customers such as straight time-based rates) are required, then a separate rate class for EV charge customers will likely be necessary to avoid cross-subsidies between users of one format versus another.

Also, non-exempt utilities must have the capability of tracking the revenues gathered from providing EV charging services to be able to determine the extent to which they cover the costs of providing the service. Otherwise, they will be unable to answer questions as to whether and to what degree other customers are cross-subsidizing such services. If this can only be done by establishing a separate class for EV charging services, then clearly EV charging customers should constitute a separate class.

Issue #3 b): Should the costs associated with EV charging infrastructure be recovered from this class?

This issue is related to Issues #4 and #6.

To the extent possible the costs of EV charging infrastructure should be recovered from EV charging customers only.

However, when one combines the fact that, as a matter of Government policy, non-exempt utilities will be involved in providing EV charging services with the fact that the purpose of this involvement is to “kick start” the market – the question of whether the prices charged will be able to all recover the cost of providing EV charging infrastructure from EV charging is well likely to hinge on how costs are defined. If “costs”, particularly electricity costs, for non-exempt utilities are determined in the same way they are for exempt utilities and the purpose of non-exempt utility involvement is to “kick start” the market in areas where it is currently uneconomic, then it is difficult to see how prices can be set such that all of the “costs” can be recovered from the customers of EV charging services – particularly in the earlier years of their involvement.

Some parties (e.g., AddÉnergie, January 28, 2019, page 5 and Guthrie, page1) submitted that non-exempt utilities should pay the same cost for electricity as exempt utilities. However, on page 14 of its recent Application for a Rate Design and Rates for Electric Vehicle Direct Current Fast Charging Service, FortisBC used its incremental cost of energy (as opposed to the rate it would charge a comparable customer) to establish the electricity cost associated with providing EV charging service.

The cost basis to be used in establish consumer rates for EV charging service is an important question. However, it is one that is best addressed in a proceeding that is related to a specific application. Having said this, BCOAPO is of the view that at a minimum, the price paid for EV charging service should recover the incremental costs of providing the service and, if not on an annual basis, then over a reasonable period of time. Otherwise, there truly would be unfair subsidization occurring.

However, if non-exempt utilities continue to offer EV charging services over the longer term (e.g., after the market is sufficiently developed and competitive) then EV charging customers should pay the fully allocated cost of the service.

Issue #4: Should other customer classes of non-exempt public utilities subsidize costs associated with the provision of charging services that can't be recovered from EV charging customers? How much of the cost is it appropriate for them to subsidize – should there be a cap?

Issue #4 a): Should other customer classes of non-exempt public utilities subsidize costs associated with the provision of charging services that can't be recovered from EV charging customers?

In part, this question appears to have already been answered. During the Procedural Conference, representatives for the Ministry indicated the following (pages 691-692):

- “The Province very strongly supports investment in electric vehicle charging services by those non-exempt public utilities”.

- “The Province further believes that all ratepayers will benefit from investment in electric vehicle charging services by non-exempt public utilities. Therefore, we submit, it would be appropriate for non-exempt public utilities to recover those costs from ratepayers”.
- “The Province is currently considering its options so as to achieve these outcomes, which include for instance proposing legislative or regulatory changes”.⁹

That makes it seem clear that, to the extent the prices paid by EV charging customers do not cover the cost of EV charging services offered by non-exempt utilities, the other ratepayers of the utility will be responsible for the costs.

The unanswered questions are:

- 1) What is considered to be the “benefit” that all ratepayers receive from non-exempt utilities investing in electric charging services? In its January 2019 evidence BC Hydro suggested that the benefits from greater EV adoption include increased utility revenues as well as reduced local air pollution. In BCOAPO’s submission, it is important to distinguish between benefits to ratepayers and benefits to the Province overall. Initiatives that lead to lower rates, improved customer service and/or improved reliability can be viewed as ratepayer benefits and increased electricity revenues would fall into this category. However, initiatives that provide broader public interest benefits or achieve broader public policy goals (e.g. GHG reduction) only benefit ratepayers as members of the general public, not in their roles as customers of regulated utilities. In BCOAPO’s submission, the BCUC’s focus when considering whether rates are “just” and “reasonable” should be on ratepayers and the benefits they receive from the services provided by non-exempt utilities.
- 2) What is “subsidization”? From a revenue requirement/cost of service perspective, subsidization exists if a customer class’ revenue to cost ratio is too high or too low based on the results of a fully allocated cost of service study. However, from an

⁹ Transcript, pp 691-692

economic perspective, subsidization refers to a narrower range of situations where products are priced below their ‘economic cost’—i.e. they contribute less in revenues than their incremental cost. In BCOAPO’s view, unless there is specific legislative direction to the contrary, the rates for EV charging services should, at a minimum, recover the incremental costs associated with adding this service when considered over a reasonable timeframe. In BCOAPO’s view, given current power market conditions, this would still provide scope for non-exempt utilities to actively engage in providing EV charging services as evidenced by FortisBC’s recent Application for a Rate Design and Rates for Electric Vehicle Direct Current Fast Charging Service.

Sections 59 and 60 of the *Utilities Commission Act* (the *UCA*) require rates to be just, reasonable and not unduly discriminatory. Subsidization of costs associated with the provision of charging services from other ratepayers may be contrary to the requirements of section 59 and 60 of the *UCA*. While we recognize that it is not binding precedent that the Commission has previously agreed with the British Columbia Court of Appeal decision *Prince George Gas Co. v Inland Natural Gas Co*¹⁰, that “a rate which is set, without regard to what is a fair and reasonable charge for the services rendered by a public utility, for the express purpose of compelling some consumers to subsidize others, is, in my opinion, inconsistent with the statutory provisions governing rates.”¹¹ It is persuasive in this context.

Additionally, in its oversight of rate design, the Commission uses revenue-to-cost (R/C) ratios as one indicator of whether discrimination exists, and the degree to which such discrimination might be considered undue. In the Commission’s 2017 Report on Residential Inclining Block Rate Report to the Government of British Columbia, the Commission looked to previous decisions for guidance on the correlation between R/C ratio and cross-subsidization, and found the following¹²:

¹⁰ 1957 CanLii 270.

¹¹ Decision and Order G-5-17 in the matter of BC Hydro 2015 Rate Design Application (January 20, 2017)

¹² Report on the Impact of BC Hydro and FortisBC’s Residential Inclining Block Rates (March 28, 2017)

...In the Commission's 2014 decision on BC Hydro's rate schedule (RS) 3808, the Commission observed that a +/- 10 percent range was considered an acceptable degree of cross-subsidization between different rate classes. Commenting on intra-class subsidization ranges, in the same BC Hydro RS 3808 Decision, the Commission observed "that acceptable R/C ratios for existing customers within a particular customer class can be greater than the +/- 10 percent range which has at times been considered acceptable for the total customer class."

[citation omitted]

With respect to direct benefits to ratepayers, BCOAPO notes that low-income customers are unlikely to benefit directly from investing in electric charging services as utility ratepayers.

In their submissions, the Ministry¹³ cited a 2017 Policy Statement, the Washington Utilities and Transportation Commission (Washington UTC) concerning regulation of electric vehicle charging services.¹⁴

In this Statement, the Washington UTC adopted a policy to promote direct benefits to low-income customers. The Washington UTC recognized that low-income customers are less likely to have access to an EV and are therefore not likely to benefit directly from access to electric vehicle supply equipment during the market transformation phase. Accordingly, utilities were required to provide direct services to low-income customers:¹⁵

While we are mindful that the transition from gasoline and diesel-powered vehicles to EVs in low-income areas can reduce noise, air pollution, unpleasant exhaust fumes, and associated health problems, the Commission is not well positioned to quantify those benefits. We

¹³ Exhibit C19-12, page 5

¹⁴

https://www.utc.wa.gov/_layouts/15/CasesPublicWebsite/GetDocument.aspx?docID=147&year=2016&documentNumber=160799

¹⁵ The Washington UTC Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services, pages 37 – 38.

therefore will require utilities to provide direct services to low-income customers as part of the public interest and fairness determination for EV charging service programs. Utilities should discuss potential program offerings with Commission staff, their low-income advisory groups, and community action agencies to develop creative approaches to maximize the benefits of EV charging services to low-income customers.¹⁶

BCOAPO submits that the BCUC should adopt a similar policy requiring utilities to provide direct benefits to low-income customers.

Issue #4 b): How much of the cost is it appropriate for them to subsidize – should there be a cap?

See the response to Issue #4 a).

If government legislation/regulation is introduced that permits a broader approach to subsidization, then some form of “cap” would be appropriate. Reasonable models to follow would be:

- The current Greenhouse Gas Reduction Regulation – where cost effectiveness does not require benefits to equal costs on an annual basis but rather on present value basis over the life of the program.
- The current Demand-Side Measures Regulation – where the benefits are increased by a set amount to recognize non-energy benefits.

Issue #5: If assets are stranded as a result of changing technology or other factors, who should pay for the potential stranded EV charging assets which may be in the non-exempt public utility's rate base?

¹⁶ *Ibid*, page 38

First, any application by a non-exempt utility regarding investments in EV charging services should specifically address the issue of potentially stranded assets and include specific actions/design features to minimize the likelihood of such a result. To this end, various parties have made suggestions as to how the potential for stranded assets could be minimized (the Ministry-page 8; ChargePoint-pages 7 & 10; Siemens-page 11 and Greenlots-page 5).

If stranded assets do arise, BCOAPO agrees with BC Hydro (Response to Issue #5) that the examination of prudence, cost treatment and design of rates to recover public utility expenditures are best suited to the applicable regulatory proceeding. However, as a matter of principle, if the initial expenditures were not initially reviewed and approved by the BCUC, there should be no recovery of the costs related to stranded assets from ratepayers.

Issue #6: In the context of BCUC economic regulation, what regulatory justification is required to allow existing utilities to cross subsidize EV charging services? If EV charging services add incremental load, does that justify cross-subsidization? Would the incremental load appear without the subsidization?

Issue #6 a): In the context of BCUC economic regulation, what regulatory justification is required to allow existing utilities to cross subsidize EV charging services?

See the response to Issue #4 a).

Issue #6 b): If EV charging services add incremental load, does that justify cross-subsidization? Would the incremental load appear without the subsidization?

It is BCOAPO's view that, in the context of economic regulation, if incremental revenues exceed incremental costs (including any required transmission and distribution system upgrades) incremental load, then in the strictest sense there is no "subsidization" and such a result may justify "cross-subsidization" from a fully allocated cost perspective.

However, from a regulatory perspective, allowing for such circumstances should be the exception as opposed to the rule and considered only when there are broader public policy interests at play. Given the government's stated policies, non-exempt utility provision of EV charging services can be viewed as representing such an exception provided the associated investments have been demonstrated to be fostering and supporting a competitive market for EV charging infrastructure.

It is reasonable to conclude that the incremental load associated with EV charging services will "eventually" occur. The key question to be addressed will be by how much is non-exempt utility participation in the EV charging market advancing this load such that it can be considered "incremental". Clearly, there will be uncertainty around the answer. In BCOAPO's view a conservative approach should be taken, particularly if government legislation/regulation is introduced that permits a broader approach to subsidization.

Issue #7: Removed

Issue #8: Do non-exempt public utilities participating in the EV charging market, have any obligation to serve EV charging customers?

BCOAPO agrees with BC Hydro's response to BCUC 1.4.5 (Phase 1) that:

"As a public utility, BC Hydro has an obligation to serve that is largely established by Commission orders, including for example the establishment of rates, terms and conditions that allow for or require particular services including, potentially, EV charging services."

Given the objective underlying the participation of non-exempt public utilities in the EV charging market is to "kick-start" the market, it would seem that an "obligation to serve" would be prerequisite condition any Commission order approving the investment in EV charging infrastructure and establishment of rates and terms & conditions.

Having said this, BCOAPO also agrees with FortisBC (pages 12-13) that this obligation only exists once the EV charging infrastructure is built and in-service for public use. There

is no similar “obligation” that automatically compels a non-exempt utility to construct new charging stations.

Issue #9: Removed

Issue #10: Not Applicable

Issue #11: Is there a need for a specific tariff provisions for the wholesale provision of electricity for the purpose of EV charging?

Like FortisBC (page 16), BCOAPO assumes the reference to “wholesale” provision refers to the supply of power to EV charging stations and not the rates charged by EV station owners (including non-exempt utilities) to end users.

Again, in responding to this question, BCOAPO considers it useful to look at the evidence/submissions from parties who are providing EV charging services. While not unanimous, most of these parties (e.g., ChargePoint-page 14; CoV-page 5; and AddÉnergie-page 9) indicate that there are issues with the current rates, particularly the demand charges, that are used in most commercial and industrial electricity tariffs. BC Hydro also acknowledges (Response to Issue #11) that demand charges can negatively affect the economics of DC Fast Charging.

Based on these comments BCOAPO concludes there may well be a need for specific tariff provisions for the wholesale provision of electricity for purposes of EV charging. However, any such tariff provisions would need to reflect the underlying cost structure of the particular utility concerned. As a result, proposals for any such rates are best dealt with through utility-specific applications.

Additionally, while utilities view the incremental load as an opportunity to increase electricity revenue, electric vehicles can also affect overall system reliability by

significantly increasing peak demand, requiring new investments in generation and/or transmission equipment to address this demand.

The ratepayer “benefit” of increased electricity revenues, discussed above,¹⁷ depends on the rate structures that incentivize charging behavior that harmonizes grid operations. In order to manage peak demand, EV users should be incented to avoid charging at peak times.

Issue #12: If so, how should this wholesale tariff be designed? Is a time of use rate appropriate? Should there be any differences depending on the type of EV charging – Level 1, Level 2, and/or DCFC stations?

BCOAPO agrees with FortisBC (page 16) that rates should be cost-based and any wholesale tariff design, all be it for EV charging stations or other customers, should adhere to this principle. Such designs could include time of use rates and could differ by type of EV charging particularly if the load profile varies by type of charging. Again, proposals for any such rates are best dealt with through utility specific applications/proceedings.

Issue #13: Section 3 of the Electrical Safety Regulation states that it “does not apply to a public utility as defined in the Utilities Commission Act in the exercise of its function as a utility with respect to the generation, transmission and distribution of electrical energy”. Further, “distribution equipment” is a defined term in the UCA. Although it seems clear that EV charging equipment is not “generation or transmission”, the Panel did not make any finding in the Phase 1 Report on whether EV charging infrastructure is “distribution equipment.”

(The Panel invites submissions on this issue in Phase 2. In responding, Interveners are requested to consider the status of the provider – for example, is the interpretation

¹⁷ See Response to Issue #4 a) above.

different for a non-exempt public utility than it would be for an exempt utility or a provider excluded from the definition of a public utility?)

In its Phase 1 Report (page 27) the BCUC made the following distinction between exclusion and exemption:

“In this Report, we also distinguish between an “exclusion” versus an “exemption”. An exclusion from the definition of a public utility means that a person is not public utility by virtue of the exclusion. An exemption from regulation on the other hand, means that the person is a public utility, but has been granted relief from some specified section(s) of the UCA by virtue of the exemption.”

Excluded parties such as a municipality or regional district providing service within its own boundaries are not public utilities. Therefore, in BCOAPO’s view the Electrical Safety Regulation would apply.

Also, since “exempt” parties are public utilities as defined by the Utilities Commission Act, BCOAPO does not see how Section 3 of the Electrical Safety Regulation could be interpreted as applying differently to exempt vs. non-exempt utilities.

The key question then becomes whether EV charging equipment is considered “distribution” equipment when interpreting section 3 of the Electrical Safety Regulation. Both FortisBC (page 17) and BC Hydro (response to Issue 12) take the view that EV charging equipment is under the jurisdiction of Technical Safety BC. In addition, FortisBC (page 18) indicates that Technical Safety BC shares this perspective. In its Phase 1 reply argument the Ministry also noted that Technical Safety BC had advised the Ministry that it considers EV charging stations to fall outside of a public utility’s generation, transmission and distribution system and therefore the requirements of the Electrical Safety Regulation always apply to the installation and operation of an EV charging station.

BCOAPO has no reason to dispute this interpretation and notes that it results in a common treatment of EV charging equipment regardless of who owns and operates it.

Issue #14: In Phase 2, the Panel invites submissions from Interveners on whether amendments to the Greenhouse Gas Reduction Regulation to allow public utilities to own and operate EV charging stations as a “prescribed undertaking” are appropriate and if so, the appropriate extent and scope of such undertaking.

Amendments to the Greenhouse Gas Reduction Regulation (GGRR) is one way of allowing non-exempt public utilities to become involve in owning and operating EV charging stations.

In its Phase 1 Final Argument (Appendix B) BC Hydro proposed amendments to the GGRR as an example of how this could be done. Its suggested approach was that Section 4 be amended by adding the following subsections:

(5) A public utility’s undertaking that is in a class defined as follows is a prescribed undertaking for the purposes of section 18 of the Act:

(a) the public utility constructs or operates an electric vehicle charging station.

BC Hydro also noted that this class of undertaking could also be defined with a temporal and/or financial limit but offered no suggested wording.

In BCOAPO’s view such an amendment would only be appropriate if there was appropriate wording attached that: i) indicated the intended purpose of this new class of undertaking (i.e., to foster and support a competitive market for EV charging infrastructure) and ii) provided temporal and financial limits. One way of providing a “financial limit” would be to include EV charging stations as an additional undertaking under Section 4 (3) (a) where it would be subject to the GGRR’s cost-effectiveness requirement.

All of which is respectfully submitted.

Sincerely,
BC PUBLIC INTEREST ADVOCACY CENTRE

Original on file signed by

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