



Alliance for
Transportation
Electrification

April 10, 2019

Patrick Wruck, Commission Secretary
900 Howe Street, Suite 410
Vancouver, BC
Canada V6Z 2N3

Subject: Project No. 1598941 (Phase Two)
British Columbia Utilities Commission
An Inquiry into the Regulation of Electric Vehicle Charging Service

Dear Secretary Wruck:

Enclosed for filing in the above-referenced matter please find Reply Arguments On Revised Scope of the Alliance for Transportation Electrification.

Respectfully submitted,

Philip B. Jones

Philip B. Jones
Executive Director
Alliance for Transportation Electrification
phil@EVtransportationalliance.org

Enclosure

Introduction

In comments dated January 28, 2019, the Alliance for Transportation Electrification expressed support for a strong role by non-exempt utilities in EV charging. In short, the only realistic approach to meeting the Province’s decarbonization and clean air goals is through transportation electrification; because transitioning to e-mobility is dependent on vehicle charging infrastructure that is pervasive, convenient, and reliable, and because today the infrastructure and non-utility investment is so scarce, we will succeed only with aggressive investment by non-exempt utilities.

A theme throughout comments by some participants has been the drumbeat of warnings that “the devil is in the details.” While program design will entail thorough analysis, thoughtful planning, and well-executed implementation, such “details” are no different than any other pilot or deployment. The task of identifying and solving for “details” is not a “devil,” it is being responsible and it is a process with which non-exempt utilities are quite familiar. The non-exempt utilities and stakeholders should be well aware of the Commission’s priorities as expressed in the initial scope. Accordingly, broadening the scope at this stage to require the non-exempt utilities to carry out extensive case analysis will result in paralysis by analysis and is unnecessary.

Arguments

Question 1: Certain parties recommend an ongoing review of activities by non-exempt utilities based on a stated yet unsubstantiated concern that non-exempt utility investment will hinder the development of a so-called competitive market. The question of whether regulated activity can coexist with, if not complement, the activities of non-utility service providers has been asked and answered; the answer is consistently that there either should be, or even must be, a significant role for utilities.¹ Over the past year, there has been a marked and strong trend toward both allowing a strong regulated utility role as well as that of non-utility service providers in U.S. jurisdictions, including:

- Maryland: The Public Service Commission recently approved in Order No. 88997 (<https://bit.ly/2uYwIYE>) tens of millions of dollars of utility investment in charging in public spaces, multifamily communities (e.g., apartment buildings), and smart meters for single-family homes.
- New York: The Public Service Commission recently approved in Case No. 18-E-0138 (<https://on.ny.gov/2uTPtMO>) a framework for credits/rebates designed to offset demand charges for DC fast chargers that may be lightly utilized in the early years of operation.

¹ In the few situations where a regulator once decided against utility investment, those decisions have been reversed upon a showing that the market will not satisfactorily develop without a strong role for utilities. California is the most prominent example of such an evolution.

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- Missouri: The Public Service Commission on March 20 (<https://bit.ly/2Z2oa07>) approved a pilot program for Ameren to promote DC fast charging along highway corridors. Items eligible for incentives include line extensions and the upfront cost of charging equipment. The Commission noted that providing incentives will likely encourage greater EV adoption in the near term. “The evidence showed that without financial incentives, it is not feasible at this time for the private sector to implement public fast charging stations along Missouri’s highway corridors anytime soon.”
- California: The Public Utilities Commission is now considering a \$760 million “Charge Ready 2” proposal from Southern California Edison (<https://on.sce.com/2CWntgK>) to install infrastructure and provide rebates to support 48,000 new EV charging ports across the company’s service territory. If approved, the program would focus on the make-ready infrastructure at workplaces, multifamily communities, and other public locations; rebates would also be provided to cover a portion of the EVSE cost. The investment also includes a robust budget to inform customers of the importance of transportation electrification.

In addition to these and many other examples, we further point out that no non-utility EV service providers oppose utility investment; there may be some difference of opinion as to the specifics, but we are not aware of opposition per se.

With regard to extensive analysis and reporting requested by some parties, because the case for utility involvement is so strong we believe that a resource-intensive reporting effort is premature and would distract from the important work of deploying valuable infrastructure and related efforts. We therefore urge the Commission to be mindful of the cost and burden of reporting before there is anything to report (i.e., the first few years will encompass program design, vendor identification, site selection, initial implementation, and early-stage review). For this reason, the Alliance urges the Commission and stakeholders to maintain an open dialogue but keep reporting to a minimum.

Question 3: Comments by other parties relating to Bonbright in the prior round are not only not “new evidence,” they are selective and merely reiterate the already-stated position (with which we disagree) that costs be recovered solely from EV charging customers. While we are reluctant to relitigate this argument, we have no choice but to restate our position that strict separation, let alone a separate rate class, would be a mistake at this nascent stage of market development for light-duty EVs. Investments in the electrical distribution system required to reduce greenhouse gases and other transportation pollutants are in furtherance of important societal objectives; more specifically, building out the electrical grid and electrifying transportation will deliver system-wide benefits whose value is impossible to quantify today but whose potential is great. Moreover, structural separation of utility services sounds attractive in principle, but rarely if ever is this able to be implemented. Because the long-term benefits of transportation electrification will be enjoyed by all, investment in furtherance of these important goals so too should be shared.

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Question 5: As with the prior question, comments filed in the March 28 round state generalized and unsubstantiated assertions relating to a risk of stranded assets and technology. The evidence is that investments can be future-proofed by using best practices such as conduit large enough for more power in the future and by selecting hardware that is interoperable, as we discuss in our comments dated January 28, 2019 (Exhibit C36-2 at 2-3).

Conclusion

The Alliance for Transportation Electrification appreciates the opportunity to participate in this proceeding and urges the Commission to develop a regulatory framework designed to facilitate transportation electrification by (1) closing the infrastructure gap, (2) providing a strong and appropriate role for utilities, and (3) supporting open standards and interoperability .

Respectfully submitted,

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Executive Director
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