BRITISH COLUMBIA UTILITIES COMMISSION

FortisBC Inc. Rate Design and Rates for Electric Vehicle Direct Current Fast Charging Service Application

BCUC Project No. 1598940

Final Argument

of

BC Sustainable Energy Association and Vancouver Electric Vehicle Association

March 30, 2021

William J. Andrews, Barrister & Solicitor
Member of the Law Society of B.C.
70 Talbot Street, Guelph, ON, N1G 2E9
Phone: 604-313-0089
Email: william.j.andrews01@gmail.com

Contents

PART ONE: INTRODUCTION AND SUMMARY 2
A. FINAL argument of BCSEA and VEVA 2
B. BCSEA'S and VEVA's interests in the proceeding 3
C. High-level summary 4
D. Orders requested 4
PART TWO: RESPONSES TO THE PANEL'S FOUR LEGAL QUESTIONS 5
A. Question 1: Definition of Eligible Charging Site 5
B. Question 2: Date that the Public Utility Decides to Construct or Purchase an Eligible Charging Station 6
C. Question 3: GGRR Includes Stations in Operation Prior to June 22, 2020 8
D. Question 4: Cost Components to be Recovered 10
PART THREE: FBC's DCFC STATIONS ARE PRESCRIBED UNDERTAKINGS 11
PART FOUR: FEI's PROPOSED EV CHARGING RATES ARE JUST AND REASONABLE 12
A. Energy-based rates are not available at this time 12
B. The proposed rates will recover the cost of service over time 13
C. The proposed rates are reasonable compared to other providers' rates 13
D. Flat rate over the analysis period is reasonable 14
E. Periodic review of DCFC program and rates 14
F. Levelized rates are consistent with section 18(2) of the CEA. 15
G. The proposed rates are supported by rate design principles 15
H. An idling fee is not necessary at this time 15
I. FBC will address accessibility concerns 15
J. The proposed 15% transaction fee 17
K. FBC public DCFC deployment 17
L. Depreciation rate 18
M. Payment method 18
N. The proposed rates are appropriately reduced by taking into account carbon credits 19
PART FIVE: CONCLUSION 19

PART ONE: INTRODUCTION AND SUMMARY

A. FINAL argument of BCSEA and VEVA

1. This is the final argument of the interveners B.C. Sustainable Energy Association (BCSEA) and Vancouver Electric Vehicle Association (VEVA). It is filed pursuant to

the regulatory timetable established by BCUC Order G-58-21.[1] This argument responds to the four legal questions set out in the Commission's February 24, 2021 letter.[2]

2. This final argument responds to FortisBC's March 16, 2021 Final Argument.[3]

B. BCSEA'S and VEVA's interests in the proceeding

3. BCSEA is a registered charity and a non-profit association of citizens, professionals and practitioners committed to promoting the understanding, development and adoption of sustainable energy, energy efficiency and energy conservation in British Columbia. BCSEA supports the province's transition to a lower-carbon economy. BCSEA has four chapters across BC and approximately three hundred individual and organizational members. Many of BCSEA's members are ratepayers of one or more of BC's energy public utilities. BCSEA represents individuals and organizations in BC who care about energy sustainability and climate change mitigation, and who want the energy they purchase and use to be sustainably produced and transported.[4]

4. BCSEA was an active intervener in the Commission's Regulation of EV Charging Services Inquiry, Phase 1 and Phase 2. BCSEA has experience with FBC's rate design, having intervened in the 2017 FBC Cost of Service and Rate Design Application proceeding. BCSEA also has experience with rate design through intervening in proceedings regarding BC Hydro's 2015 Rate Design, Shore Power, EV Fleet Charging, and Transmission Service Market Reference-Priced Rates applications.[5]

5. VEVA is a non-profit, volunteer organization founded in 1988. VEVA promotes a transformation from internal combustion to zero emission electric vehicles. VEVA has more than 400 members across BC. VEVA is directly interested in the current proceeding, as its members are among the EV drivers who would take service from the DCFC stations for which FBC seeks approval of rates. VEVA brings to the

[1] Exhibit A-14.
[2] Exhibit A-13.
[3] https://www.bcuc.com/Documents/Arguments/2021/DOC_61639_2021-03-16-FBC-FinalArgument.pdf.
[4] Exhibit C4-1.
[5] Exhibit C4-1.

proceeding considerable expertise regarding EV charging services and the needs of EV drivers in BC.[6]

6. BCSEA's and VEVA's interests in this proceeding are as non-profit public interest organizations, and as representatives of their members' interests as ratepayers and potential purchasers of EV charging service from FBC.

7. BCSEA and VEVA have participated actively in the current proceeding.

C. High-level summary

8. BCSEA-VEVA's responses to the Panel's four legal questions are set out in Part 2 of this Final Argument.

9. BCSEA-VEVA support approval of the Revised Application, for the reasons set out below.

D. Orders requested

10. In the current Application, FBC seeks the following orders pursuant to sections 52 and 59-61 of the UCA:

    a. Electric Tariff Rate Schedule 96 for EV charging is approved on a permanent basis for EV charging at FBC-owned EV DCFC charging stations, consisting of a rate of $0.26 per minute for 50 kW stations and $0.54 per minute at 100 kW stations, effective 30 days from the date of this Order.

    b. Rate Schedule 96 will be exempt from general rate changes unless otherwise directed by the BCUC.

    c. FBC is approved to include the assets associated with its EV DCFC charging stations, and related revenues and expenses, in FBC's regulated accounts as set out in Section 4 of the Application.

    d. FBC's proposed straight line 10 percent depreciation rate for FBC-owned EV DCFC charging stations is approved.

    e. FBC is approved to transfer ownership and operation of the DCFC stations in New Denver and Nakusp to BC Hydro.

[6] Exhibit C4-2.

f. FBC is directed to comply with all other BCUC Directives as contained in the accompanying Decision.

g. FBC is directed to file Rate Schedule 96 with the BCUC for endorsement within 15 days from the date of this Order.[7]

PART TWO:
RESPONSES TO THE PANEL'S FOUR LEGAL QUESTIONS

11. In this Part, BCSEA-VEVA respond to the Panel's four legal questions regarding section 5 of the Greenhouse Gas Reduction (Clean Energy) Regulation, B.C. Reg.102/2012, as amended,[8] and section 18 of the *Clean Energy Act*, SBC 2010, c.22.[9]

12. BCSEA-VEVA agree with FBC that to the extent the questions involve matters of statutory interpretation the BCUC must give section 18 of the CEA and section 5 of the GGRR a fair, large and liberal interpretation that best ensures the attainment of the statutory objects to reduce GHG emissions in BC by encouraging public utilities to operate eligible charging stations by allowing public utilities to recover their costs incurred on such stations.[10]

A. Question 1: Definition of Eligible Charging Site

> 1. Section 5(1) of the GGRR defines an "eligible charging site" as a site where one or more eligible charging stations are located; "limited municipality" as a municipality with a population of 9,000 or more; and "site limit" as the number calculated by dividing the municipality population by 9,000 and rounding the quotient up to the nearest whole number.
>
> ***How should a "site" be interpreted for the purposes of determining a "site limit" within a "limited municipality"? For example, should there be any considerations regarding geographic location, location size, or number of fast charging stations for a "site"? Can multiple electric vehicle (EV) charging service providers operate their fast charging stations under the same "site"?***

13. Under the GGRR, the "site limit" applies to eligible charging <u>sites</u>, not to eligible charging <u>stations</u>. Section 5(2)(b)(ii) states "if the station will be located in a limited

[7] Exhibit B-16, Attachment 20.6C, Further Revised Draft Order, pdf p.42.
[8] https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/102_2012.
[9] https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/10022_01#section18.
[10] FBC Final Argument, paras.11-12.

municipality, the number of eligible charging sites in the municipality on the date the station will come into operation will not exceed the site limit for the municipality on that date." [underline added]

14. BCSEA-VEVA submit that "eligible charging site" does not require interpretation for the purposes of determining a "site limit" within a "limited municipality" under the GGRR. This is because "eligible charging site" is already a defined term. Under the GGRR, an eligible charging site means a site where one or more eligible charging stations are located.

15. This definition does not require, or allow, any further modifications such as considerations regarding geographic location, location size, or the number of fast charging stations for a "site."

16. Similarly, nothing in the GGRR definition of eligible charging site precludes multiple EVCS providers operating their respective fast-charging stations at a single eligible charging site. A site with at least one eligible charging station is an eligible charging site regardless of whether there are additional eligible or non-eligible charging stations at the site.

17. BCSEA-VEVA concur with FBC's submissions in paragraphs 13 to 16 of its Final Argument.

18. Also, BCSEA-VEVA agree that FBC[11] has correctly identified the municipalities in which each "eligible charging site" are located and applied the correct site limit, calculated in accordance with section 5 of the GGRR, and that none of FBC's eligible charging sites will exceed the site limit for the municipality in which they are located.

B. Question 2: Date that the Public Utility Decides to Construct or Purchase an Eligible Charging Station

> 2. Section 5(2)(b) of the GGRR states that an eligible charging station is a prescribed undertaking if "the public utility reasonably expects, on the date the public utility decides to construct or purchase an eligible charging station, that (i) the station will come into operation by December 31, 2025, and (ii) if the station will be located in a limited municipality, the number of eligible charging sites in the municipality on the date the station will come into operation will not exceed the site limit for the municipality on that date."

[11] FBC Final Argument, para.17.

a. How should "on the date the public utility decides to construct or purchase an eligible charging station" be interpreted? What information should be used to determine when that date was? Should the utility be required to also determine the site where the eligible charging station will be located by that date?

19. BCSEA-VEVA agree with FBC that "the date the public utility decides to construct or purchase an eligible charging station" is a fact for the Commission to find on the basis of the evidence in the proceeding. The evidence to establish this fact will vary depending on the circumstances.

20. In the current proceeding, FBC says the "date the public utility decides to construct or purchase an eligible charging station" is "the date in which [FBC] enters into a financial commitment to purchase, construct or install the required charging station infrastructure for the eligible charging station."[12] This is reasonable, in BCSEA-VEVA's view, and should be accepted by the Commission.

21. Further, under the GGRR the "date the public utility decides to construct or purchase an eligible charging station" is not limited to a decision regarding a station in a certain location.

22. In terms of the application of GGRR s.5(2)(b) to the facts of the current proceeding, BCSEA-VEVA agree with FBC that "considering that FBC plans for all of its stations to come into operation by January 1, 2022, it is reasonable to expect that its stations will come into operation by December 31, 2025 and, based on existing and planned stations in each municipality, not exceed the site limit when they come into operation."[13]

b. Considering that there may be circumstances where it may not be known if an eligible charging station has met the criteria to be a prescribed undertaking until the station comes into operation, should the BCUC make a determination, on a forecast basis, of whether an eligible charging station is a prescribed undertaking? What are the advantages and disadvantages to the utility and its ratepayers of the BCUC making such a determination on a forecast basis?

23. BCSEA-VEVA respectfully disagree with the premise of the question. The definition of a prescribed undertaking is forward looking. The operative time is when the utility decides to construct or purchase an eligible charging station. The phrase "reasonably expects, on the date" applies to both clause (i) and clause (ii). If the

[12] FBC Final Argument, para.19, citing Exhibit B-7, BCUC IR1 3.8.
[13] FBC Final Argument, para.22.

criteria are met as of the utility's decision date then the eligible charging station is a prescribed undertaking.

24. Also, while the BCUC makes decisions regarding the recovery of the costs of a prescribed undertaking (as constrained by CEA s.18), a prescribed undertaking becomes a prescribed undertaking if and when the criteria are met. A determination by the Commission is not required, although presumably the Commission would make findings of fact and confirm that a prescribed undertaking is indeed a prescribed undertaking in the course of making decisions about costs recovery.

25. BCSEA-VEVA agree with the five points made by FBC in paragraph 23 of its Final Argument.

26. In BCSEA-VEVA's view, FBC has met its burden of proof to show that its planned DCFC stations are prescribed undertakings. It is unlikely that any of these eligible charging stations would later turn out to not be prescribed undertakings, as FBC has stated its intention to construct or purchase eligible charging stations that meet the requirements of the GGRR. However, in the event that an eligible charging station was later found not to have met the requirements of a prescribed undertaking, then, as FBC states, "FBC's existing Flow-through deferral account will be used to capture all variances between forecast and actual cost/revenue associated with its EV stations that are prescribed undertakings, so customers will pay only actual costs of the stations."[14]

C. Question 3: GGRR Includes Stations in Operation Prior to June 22, 2020

> 3. The GGRR was amended on June 22, 2020 to include EV charging stations as a prescribed undertaking. FBC submits that section 18 of the CEA and section 5 of the GGRR have a "retrospective" effect, "as they require the recovery of the costs of all charging stations that come into operation by December 31, 2025, which by definition includes stations in operation prior to June 22, 2020."
>
> ***a. Does section 5 of the GGRR include fast charging stations that came into operation prior to June 22, 2020 as a prescribed undertaking on a retrospective basis? Why or why not?***

27. Under section 5 of the GGRR, a fast charging station that meets the definition of an eligible charging station and the criteria of a prescribed undertaking is a prescribed undertaking regardless of whether the station came into operation prior to June 22,

[14] FBC Final Argument, para.23(e).

2020. This follows from the wording of the GGRR and section 18 of the *Clean Energy Act*. It does not involve a concept of a "prescribed undertaking on a retrospective basis" [underline added]. BCSEA-VEVA agree with FBC that "A public utility's eligible charging station that came into operation prior to June 22, 2020 fits squarely within the class of prescribed undertakings described in section 5 of the GGRR."[15] This is consistent with the purpose of Order in Council 339/2020.

28. BCSEA-VEVA agree with FBC that section 5 of the GGRR and section 18 of the CEA requiring recovery of the costs of eligible charging stations that came into operation prior to June 22, 2020 is not properly characterized as a retrospective effect in the legal sense.[16]

29. BCSEA-VEVA also agree with FBC that, alternatively, if CEA s.18 and GGRR s.5 are characterized as having a retrospective effect then the presumption against retrospectivity does not apply because the mechanism is beneficial, not prejudicial.

30. In the further alternative, if the presumption against retrospectivity applies here then it is rebutted by the wording and purpose of CEA s.18 and GGRR s.5, for the reasons set out by FBC in paragraph 43 of its Final Argument. BCSEA-VEVA agree with FBC that "An interpretation that would result in the non-recovery of the costs incurred on many of the charging stations owned by FBC, as well as many stations owned by BC Hydro, would fundamentally undermine this purpose and is therefore not a reasonable interpretation of the legislation."[17]

b. In the case of a station that needed to be upgraded to meet the criteria to be a prescribed undertaking, what portion of the total capital cost of the upgraded station should be allowed into a public utility's rate base? For instance, would this be the entire cost of the upgraded station less accumulated depreciation, or only the incremental investment portion for the upgrade? Please provide reasons in support.

31. In BCSEA-VEVA's view, under the GGRR, if a station meets the criteria to be a prescribed undertaking when the utility decides to upgrade the station then the station is a prescribed undertaking and all of the costs of the station are recoverable in the public utility's rates per CEA s.18.

[15] FBC Final Argument, para.33.
[16] FBC Final Argument, paras.37-38.
[17] FBC Final Argument, para.43(c).

D. Question 4: Cost Components to be Recovered

> 4. Section 18(2) of the CEA provides that the BCUC "must set rates that allow the public utility to collect sufficient revenue in each fiscal year to enable it to recover its costs incurred with respect to the prescribed undertaking." Section 18(3) of the CEA also provides that the BCUC "must not exercise a power under the *Utilities Commission Act* in a way that would directly or indirectly prevent a public utility… from carrying out a prescribed undertaking."
>
> ***Should all cost components of an eligible charging station be eligible for recovery under the GGRR (for example, paving costs, lighting installation and maintenance costs, washroom facilities, wheelchair accessible ramps)? Why or why not? If reasonable limits on cost recovery are required, how should they be determined and why?***

32. CEA s.18 and GGRR s.5 provide that all cost components of a prescribed undertaking – such as an eligible charging station – are recoverable in the public utility's rates. This is the statutory regime; it is not a matter of "should" or "should not."

33. CEA s.18(4) requires a public utility that carries out a prescribed undertaking to submit a report to the minister respecting the prescribed undertaking. This structure contemplates that oversight of the utility's spending on a prescribed undertaking (for example, to prevent 'gold-plating' by the utility) is provided by the minister not by the BCUC.

34. On a practical level, BCSEA-VEVA believe that FBC's eligible charging stations must be accessible to EV drivers with disabilities. BCSEA-VEVA submit that the costs of making FBC's eligible charging stations accessible are intrinsic to the costs of providing the eligible charging stations. BCSEA-VEVA agree with FBC that:

> "Investments to make a charging station more accessible for persons with disabilities have a clear and rational connection with the stations as they are physically connected to it and an important aspect of providing the service. These are clearly costs incurred "with respect to" eligible charging stations and therefore must be recovered in rates."[18]

35. BCSEA-VEVA also agree with FBC's submission that "the BCUC should not be seeking to rule out in advance any type of cost from recovery, but rather must

[18] FBC Final Argument, para.52.

consider on the evidence before it whether costs are in respect of a prescribed undertaking."[19]

PART THREE:
FBC's DCFC STATIONS ARE PRESCRIBED UNDERTAKINGS

36. BCSEA-VEVA concur with FBC that the 40 DCFC stations described in the Application are prescribed undertakings within the class of prescribed undertakings set out in section 5 of the GGRR.

37. BCSEA-VEVA submit that the evidence establishes the following required elements:

    a. FBC's DCFC stations are "eligible charging stations."[20]

    b. FBC will construct and operate, or purchase and operate, the eligible charging stations.[21]

    c. On the dates that FBC decided to construct or purchase the eligible charging stations FBC reasonably expected that the DCFC stations will come into operation by December 31, 2025.[22]

    d. On the dates that FBC decided to construct or purchase the eligible charging stations FBC reasonably expected that its DCFC stations will not exceed the limited municipality site limits.[23]

    e. Although not required, FBC's stations will be configured to use open charge point protocol.[24]

38. BCSEA-VEVA support approval of FBC's disposition of two charging stations (one in New Denver and one in Nakusp) pursuant to section 52 of the UCA. FBC is transferring the two stations to BC Hydro in a like-for-like exchange with BC Hydro for stations in Keremeos and Princeton.[25] BCSEA-VEVA agree with FBC that it will be more efficient for each utility to operate stations located in closer proximity to the areas served by the utility operating the station.[26]

[19] FBC Final Argument, para.54.
[20] FBC Final Argument, paras.56-57.
[21] FBC Final Argument, para.58.
[22] FBC Final Argument, para.59-61.
[23] FBC Final Argument, paras.62-65.
[24] FBC Final Argument, para.66.
[25] FBC Final Argument, para.67.
[26] FBC Final Argument, para.68.

39. As FBC's DCFC charging stations are prescribed undertakings, BCSEA-VEVA agree with FBC that the BCUC must approve the recovery of FBC's investments in its DCFC charging stations. BCSEA-VEVA agree with FBC that BCUC should approve the inclusion of FBC's assets associated with its DCFC charging stations, and related revenues and expenses, in FBC's regulated accounts.[27]

PART FOUR: FEI's PROPOSED EV CHARGING RATES ARE JUST AND REASONABLE

40. FBC requests final approval of RS 96 – Electric Vehicle Charging, which includes two rates for its DCFC EV stations: (a) a time-based rate of $0.26 per minute at FBC's 50 kW DCFC stations, and (b) a time-based rate of $0.54 per minute at FBC's 100 kW stations. In BCSEA-VEVA's view, these proposed rates are just and reasonable.

41. BCSEA-VEVA submit that the evidence supports FBC's points[28] justifying a conclusion that the proposed rates are just and reasonable.

A. Energy-based rates are not available at this time

42. Energy-based rates ($/kWh) for DC EV charging service cannot be implemented at this time due to the lack of Measurement Canada-approved metering.[29] Measurement Canada expects to allow energy-based rates within the next 18 months.[30] FBC commits to examining the potential to offer wholly or partially energy-based rates, including whether there are any other impediments to implementing such rates, when energy-based rates for DCFC become available.[31] BCSEA-VEVA support this commitment by FBC.[32]

43. FBC says it is not certain whether the metering in the current charging stations will meet future Measurement Canada requirements for energy-based rates. However, FBC says "To the extent that additional costs are required to facilitate energy-based

[27] FBC Final Argument, para.71.
[28] FBC Final Argument, para.77.
[29] FBC Final Argument, para.78.
[30] Exhibit B-18, BCSEA-VEVA IR2 10.1.
[31] FBC Final Argument, para.79, citing Exhibit B-7, BCUC IR1 7.7; Exhibit B-18, BCSEA-VEVA IR2 10.1.
[32] VEVA calls for Measurement Canada to provide interim authorization of the installed base of DCFC metering for $/kWh billing purposes. However, VEVA recognizes that that is not an issue in the current proceeding.

billing, those costs would be included as part of an application for rates based wholly or partly on kWh."[33] BCSEA-VEVA are satisfied with that response.

B. The proposed rates will recover the cost of service over time

44. The proposed rates will recover FBC's forecast incremental cost of service on its eligible charging stations over a 10-year period.[34] FBC states:

> "FBC confirms that the proposed rates are designed to recover all forecast costs associated with the FBC DCFC charging stations over the life of the DCFC charging station assets such that, if actual costs and revenues equal the 10 year forecast, there would only be timing differences between when costs are incurred and revenues are received that flow to FBC's other customers."[35]

45. BCSEA-VEVA support this approach, while noting that FEI would be legally allowed to recover its costs of the DCFC prescribed undertakings even if FBC's revenues from the DCFC service did not cover the costs.

46. BCSEA-VEVA agree that the key assumptions[36] and cost of service inputs[37] in FBC's cost of service model are reasonable. BCSEA-VEVA recognize that some of these factors, such as charging events per day and station usage, are subject to considerable uncertainty.[38] However, the assumptions are reasonable, and, as noted above, there is no legal requirement that the rates that come out of the cost of service model must necessarily fully recover the cost of service.

47. In BCSEA-VEVA's view, it is reasonable to include the transaction fee of 15 percent for global management services charged by FLO in the cost of service model. And, as discussed in paragraph 61, below, BCSEA-VEVA support the 15% transaction fee itself.

C. The proposed rates are reasonable compared to other providers' rates

48. FBC's proposed DCFC rates are comparable to market rates and are generally consistent with rates for similar service in other parts of Canada. This is indicated by

[33] Exhibit B-9, BCSEA-VEVA IR1 5.2.
[34] FBC Final Argument, paras.81-84.
[35] Exhibit B-9, BCSEA-VEVA IR1 6.5.
[36] FBC Final Argument, paras.82.
[37] FBC Final Argument, paras.83.
[38] See Table 3-4, Rate Impact Sensitivity, Exhibit B-5, p.20; and Exhibit B-7, BCUC IR1 8.6.

the information shown in Table 3-3, EV Rate Comparison.[39] BCSEA-VEVA note that FBC says that "If large price differences between FBC's rates and other rates arise, FBC may review the use of market-based versus cost of service-based rates for its DCFC stations."[40]

D. Flat rate over the analysis period is reasonable

49. BCSEA-VEVA agree with FBC that having a flat rate over the ten-year analysis period, rather than a rate that follows the cost of service profile, will provide for stable and consistent rates for EV charging customers.[41] A stable rate will help overcome barriers to the adoption of EVs and encourage the use of FBC's EV charging stations.

50. Similarly, BCSEA-VEVA agree that exempting the proposed rates from general rate changes is just and reasonable.[42] FBC points out correctly that "Although the proposed levelized rate declines in real terms over the life of the charging assets, the revenue-to-cost ratio also improves over the same period, which favours the proposed RS 96 rate."[43]

E. Periodic review of DCFC program and rates

51. FBC proposes to review RS 96 (DCFC rates) as part of its Cost of Service Analysis (roughly every 5 to 7 years), and to review the DCFC program as part of the BCUC's Annual Review of FBC under the Multi-year Ratemaking Plan. FBC's Annual Review will include updated annual forecasts for the EV Program.[44] BCSEA-VEVA support this approach, expecting that it will be practical and effective.

52. In addition, BCSEA-VEVA note that FBC commits to "initiating a review of RS 96 if there were any material deviations from forecast revenues from existing stations or the cost of new stations as compared to existing stations, or if a new rate structure is identified that is feasible and preferable to the current RS 96."[45] BCSEA-VEVA see the Annual Reviews as one place where the need for such potential modifications could be identified.

[39] Exhibit B-5, p.19; and Exhibit B-7, BCUC IR1 7.2, pdf p.39.
[40] FBC Final Argument, para.85, citing Exhibit B-7, BCUC IR1 6.2.
[41] FBC Final Argument, para.81.
[42] FBC Final Argument, para.86.
[43] Exhibit B-9, BCSEA-VEVA IR1 6.4.
[44] FBC Final Argument, para.90.
[45] FBC Final Argument, para.92.

F. Levelized rates are consistent with section 18(2) of the CEA.

53. Levelized rates for FBC's public DCFC service are consistent with the requirements of section 18(2) of the *Clean Energy Act*. BCSEA-VEVA agree with FBC that "in years where FBC under recovers the costs from EV charging customers, the balance of the costs will be covered by FBC's other customers and, conversely, in years where EV charging revenues exceed costs, these benefits flow back to all of FBC's other customers." As FBC puts it, s.18(2) of the CEA "does not mandate from whom the revenue is collected."[46]

G. The proposed rates are supported by rate design principles

54. FBC has provided an assessment of the proposed rates against the Bonbright rate design principles.[47] These principles include: Recovering the Cost of Service, Fair apportionment of costs among customers, Price signals that encourage efficient use and discourage inefficient use, Customer understanding and acceptance, Practical and cost-effective to implement, Rate stability (customer rate impact should be managed), Revenue stability, and Avoidance of undue discrimination (interclass equity must be enhanced and maintained). BCSEA-VEVA agree with FBC that the proposed EV charging rates are supported by the Bonbright rate design principles.[48]

H. An idling fee is not necessary at this time

55. FBC says it has not experienced idling issues to date, and an idling fee is not currently required.[49] BCSEA-VEVA have no reason to disagree. If in the future there is an indication that some EV owners are occupying a charging station unnecessarily then BCSEA-VEVA are confident that this can be addressed at the time.

I. FBC will address accessibility concerns

56. BCSEA-VEVA believe strongly that public EV charging stations must be fully accessible to persons with disabilities. BCSEA-VEVA's view is that:

    a. EVs offer a major new mobility opportunity for disabled persons.

    b. A crucial prerequisite is that public fast-charging stations be fully accessible.

[46] FBC Final Argument, para.93.
[47] Exhibit B-7, BCUC IR1 7.1.3, pdf p.37.
[48] FBC Final Argument, para.94, citing Exhibit B-7, BCUC IR1 7.1.3.
[49] Exhibit B-9, BCSEA-VEVA IR1 6.3; Exhibit B-7, BCUC IR1 7.3; FBC Final Argument, para.95.

c. Now, during the initial roll-out of FBC's public fast-charging stations, is an important time to pay attention to accessibility.

57. During the proceeding, BCSEA-VEVA offered to provide intervener evidence on accessibility regarding FBC's existing and proposed public EV fast-charging stations.[50] The evidence would have been authored by Mr. Jacques Courteau, who is an EV driver and retired lawyer who has extensive expertise in disability/accessibility issues.

58. In response, FBC contacted BCSEA-VEVA and off-line preliminary discussions ensued about BCSEA-VEVA's accessibility concerns. In the result, FBC wrote to the BCUC on January 8, 2021 confirming on the record that:

> "While FBC has included accessibility factors in the design and implementation of its DCFC stations, FBC acknowledges that there is room to improve accessibility at some stations. Moreover, FBC is committed to taking all reasonable steps to improve accessibility, and believes it can resolve accessibility concerns through a consultative and collaborative approach."[51]

59. FBC confirmed its commitment to address accessibility at its DCFC stations through the following five steps:

> "1. FBC will consult with Mr. Courteau and a variety of other persons with disabilities regarding accessibility at DCFC stations. FBC recognizes that not all disabilities are the same and that a variety of perspectives would be valuable to understand accessibility concerns.
>
> 2. In consultation with Mr. Courteau and other persons with disabilities, FBC will formalize accessibility guidelines for its DCFC stations. FBC will seek to align its guidelines with BC Hydro's *EV Fast Charging: Design & Operational Guidelines For Public DCFC Stations In British Columbia* (BC Hydro's Guidelines). FBC is aware that Mr. Courteau provided input to BC Hydro and that this input is reflected in BC Hydro's Guidelines. FBC is in general agreement with the accessibility requirements reflected in BC Hydro's Guidelines, which FBC understands Mr. Courteau is reasonably satisfied with.
>
> 3. FBC will take all reasonable steps to address any deficiencies in accessibility at its DCFC stations. Such steps could include, for example, installing curb ramps and associated level landing areas for operating DCFCs, ensuring parking stalls and landings are paved, and installing sufficient area lighting at charging sites.

[50] Exhibit C4-4.
[51] Exhibit B-13.

> 4. FBC will report to the BCUC on accessibility at its DCFC stations in its annual reviews. This reporting will include a summary of consultation, a review of FBC's accessibility guidelines, and a description of any improvements to accessibility that have been made, or are planned to be made, at its stations. FBC expects to substantially complete its work on accessibility by the time of the 2021 annual review process, but would continue to report annually until the consultation, guidelines and improvements are completed.
>
> 5. While FBC believes that any additional accessibility improvement costs will be minimal, any such costs can be examined during the annual review. If the costs are material enough to impact RS 96, FBC would propose amendments to RS 96 in the annual review process."[52]

60. BCSEA-VEVA commend FBC for taking this collaborative approach. They confirm that FBC has been moving forward with measures and consultation to improve accessibility at the DCFC stations.

J. The proposed 15% transaction fee

61. FBC proposes a 15 percent transaction fee to cover management services provided by FLO. This transaction fee would cover station status monitoring, remote diagnostics and upgrades, data storage, and payment processing, collection and accounting services.[53] BCSEA-VEVA consider this to be reasonable and appropriate.

K. FBC public DCFC deployment

62. FBC does not expect to deploy additional DCFC sites or stations beyond those identified in the Revised Application.[54] FBC says deployment of stations with a capacity larger than 100 kW is not currently warranted given the limited number of vehicles capable of benefiting from these higher charge rates.[55] FBC says it does not prioritize between local EV drivers and travelling-through EV drivers when considering its DCFC site locations.[56] These points provide useful context. However, in BCSEA-VEVA's view, they are not required elements of the Application. Accordingly, BCSEA-VEVA take no position on these points at this time.

[52] Exhibit B-13.
[53] FBC Final Argument, para.83(d), citing Exhibit B-8-1, BCOAPO IR1 15.2; Exhibit B-17, BCOAPO IR2 38.2 and 38.3.
[54] Exhibit B-5, p.10; Exhibit B-9, BCSEA-VEVA IR1 1.1.
[55] Exhibit B-9, BCSEA-VEVA IR1 1.5.
[56] Exhibit B-9, BCSEA-VEVA IR1 1.6.

L. Depreciation rate

63. FBC is requesting approval to use straight line depreciation for the EV charging stations, at a 10 percent depreciation rate, based on a service life of ten years.[57] BCSEA-VEVA are concerned that ten years may be an optimistic estimate of the service life of EVCS equipment. However, FBC says that ten years is based on discussions with equipment providers.[58] BCSEA-VEVA support approval of the proposed ten-year depreciation treatment, noting that the status of the service life of EVCS equipment will be addressed in the Annual Reviews if there are indications of early equipment failure or obsolescence.

M. Payment method

64. FBC proposes that EV drivers will have two options for payment transactions with FBC:

    a. creating a membership with the FLO network and linking an appropriate means of payment (credit card, bank account) to that membership, and

    b. scanning a Quick Response Code (QR code) on the station with their mobile phone which will take the customer to a payment portal where they can enter their credit card details which will allow the station to be activated.[59]

65. FBC adds that customers may also contact FLO's telephone customer support to establish a single use credit card transaction. The customer's credit card will be charged the appropriate amount once the charging session is complete.[60]

66. These are a continuation of the options in place currently.[61] FBC has not received any complaints to date with the current payment options.[62] BCSEA-VEVA agree with FBC that these options are satisfactory and sufficient.

[57] Exhibit B-5, p.16.
[58] Exhibit B-9, BCSEA IR1 3.1.
[59] Exhibit B-5, p.8.
[60] Exhibit B-5, p.8.
[61] Exhibit B-9, BCSEA-VEVA IR1 7.1.
[62] Exhibit B-9, BCSEA-VEVA IR1 7.2; Exhibit B-18, BCSEA-VEVA IR2 11.1.

N. The proposed rates are appropriately reduced by taking into account carbon credits

67. FBC confirms that the 50 kW and 100 kW rates each take into account the net revenue from carbon credits[63] on a forecast average value basis.[64] BCSEA-VEVA support this approach.

PART FIVE: CONCLUSION

68. BCSEA-VEVA support approval of FBC's Application for rates and rate design regarding FBC's public DC fast-charging sites and stations (Rate Schedule 96). FBC's DCFC stations itemized in the Application are prescribed undertakings under section 18 of the CEA and section 5 of the GGRR. The proposed rates and rate design are consistent with the Bonbright principles. Review of the DCFC program at the Annual Review will be practical and effective. BCSEA-VEVA are satisfied with FBC's acknowledgment that there is room to improve accessibility at some of its stations, and that it is committed to taking all reasonable steps to improve accessibility.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

March 30, 2021

_____
William J. Andrews, Barrister & Solicitor
Counsel for B.C. Sustainable Energy Association
and Vancouver Electric Vehicle Association

[63] Exhibit B-9, BCSEA-VEVA IR1 9.1.
[64] Exhibit B-7, BCUC IR1 9.2, pdf p.55.