



May 3, 2018

Sent via email/eFile

BCUC REGULATION OF ELECTRIC VEHICLE CHARGING SERVICE INQUIRY EXHIBIT A-13
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William J. Andrews
Barrister & Solicitor
1958 Parkside Lane
Vancouver, BC V7G 1X5
wjandrews@shaw.ca
thackney@shaw.ca

Re: British Columbia Utilities Commission – An Inquiry into the Regulation of Electric Vehicle Charging Service – Project Number 1598941 – Information Request No. 1

Dear Mr. Andrews:

Further to your March 16, 2018 filing of evidence on behalf of the BC Sustainable Energy Association and Sierra Club BC, enclosed please find British Columbia Utilities Commission (BCUC) Information Request No. 1. In accordance with the regulatory timetable please file your responses on or before Wednesday, June 6, 2018.

The BCUC's Rules of Practice and Procedure (Rules) set out in Order G-1-16 provide guidance and establish requirements for participants in BCUC proceedings. Subject to section 14 of the Rules, all parties that receive an information request must provide full and adequate response to each question.

The BCUC's Rules of Practice and Procedure can be viewed here:
<https://www.ordersdecisions.bcuc.com/bcuc/orders/en/127520/1/document.do>

If you have any questions regarding the information request process, please contact Commission Secretary.

Sincerely,

Original signed by:

Patrick Wruck
Commission Secretary

/dg
Enclosure



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

INFORMATION REQUEST NO. 1 TO BC SUSTAINABLE ENERGY ASSOCIATION & SIERRA CLUB BC

A. BASIS FOR EV CHARGING SERVICE REGULATION EXEMPTION

**1.0 Reference: Exhibit C6-2, pp. 4–5
Evolution of the EV market and regulation**

On pages 4-5 of Exhibit C6-2, BC Sustainable Energy Association and Sierra Club BC (BCSEA) states:

3. Setting aside BC Hydro and FortisBC (regulated public utilities that provide general electricity service), the provision of EV charging services by entities not exempt from the definition of “public utility” in the UCA should generally be subject to little or no regulation by the Commission for a reasonable period of time to allow development of the sector, after which the form of regulation (if any) of the provision of these EV charging services should be revisited to take into account the evolved nature of sector.
- 1.1 If the electric vehicle (EV) charging service were to be regulated in the short term, and as degree of competitiveness in the EV market evolves, please discuss BCSEA’s view on what would be specific market triggers for The British Columbia Utilities Commission (BCUC) to re-evaluate regulation?

**2.0 Reference: Exhibit C6-2, p. 5
Degree of competition**

On page 5 of Exhibit C6-2, BCSEA states:

6. The Commission should approach the provision of EV charging services by BC Hydro and FBC bearing in mind the following: a. During the development of the EV sector in B.C., the Commission should allow BC Hydro and FBC to play an active role in developing EV charging services and infrastructure.
- 2.1 Does BCSEA have a position on whether public utility (i.e. the British Columbia Hydro and Power Authority [BC Hydro] or FortisBC Inc. [FBC]) involvement in the EV charging service market should change as the market matures? If so, please explain and provide any key indicators that BCSEA considers would demonstrate market maturity. For example, should this be the number of EVs fleet in BC, number of EV charging stations/ports per EV, distance measured between public EV charging stations, or some other measures?

**3.0 Reference: Exhibit C6-2, pp. 5, 11,
BCUC Thermal Energy System Guidelines (TES Guidelines), p. 7
Class of cases exemption**

On page 5 of Exhibit C6-2, BCSEA states:

7. The Commission should consider, either within this Inquiry or in a follow-on proceeding, exercising its authority under section 88(3) of the UCA to exempt from some or all of the provisions of the Act certain classes of entities providing EV charging services (to be defined) that but for the exemption would be “public utilities” and regulated under the Act. (For clarity, this includes entities providing EV charging services that may not currently meet the definition of “public utility” but that likely would do so if they started to receive compensation for their EV charging services.) An exemption under s.88 (3) requires the advance approval of the Minister responsible for BC Hydro, i.e., the Minister of Energy, Mines and Petroleum Resources.

On May 19, 2016 by Order G-71-16, the BCUC granted Bakerview EcoDairy an exemption from Part 3 of the *Utilities Commission Act* (UCA), except sections 25, 38, 42, 43, 44 and 49¹.

- 3.1 In BCSEA’s view, if the BCUC were to recommend a class of cases exemption to government in relation to EV charging service, what factors should be considered in developing the classes? Further, what sections of the UCA, in BC Hydro’s view, should EV charging service be exempt from?
- 3.2 Does BCSEA have a view on what the classes could be (e.g. based on different levels of EV charging equipment, charging station geographic locations, type of dwelling, owner/operator structure, some combination of the above, or others)? If yes, please describe.

On page 11 of Exhibit C6-2, BCSEA states:

3. Setting aside EV charging services provided by BC Hydro or FBC, EV charging stations that are provided by a public utility should generally not be regulated by the Commission, because the disadvantages of BCUC regulation outweigh the benefits.

a. For these EV charging services, consideration should be given to light-handed (e.g., complaints based) regulation of EV charging services within MURBs and public EV charging services that are isolated from other public EV charging services

On page 7 of the BCUC’s Thermal Energy System Guidelines (TES Guidelines), it states:

Strata Corporation TES²: A TES owned or operated by a Strata Corporation, or the Strata Corporation’s lessee, trustee, receiver or liquidator, that supplies the Strata Corporation’s owners, is exempt from Part 3 of the UCA other than sections 42, 43 and 44.

- 3.3 In BCSEA’s view, should an exemption similar to the Strata Corporation exemption in the TES Guidelines be considered for Strata Corporations if EV charging service were to be regulated by the BCUC? Please discuss.

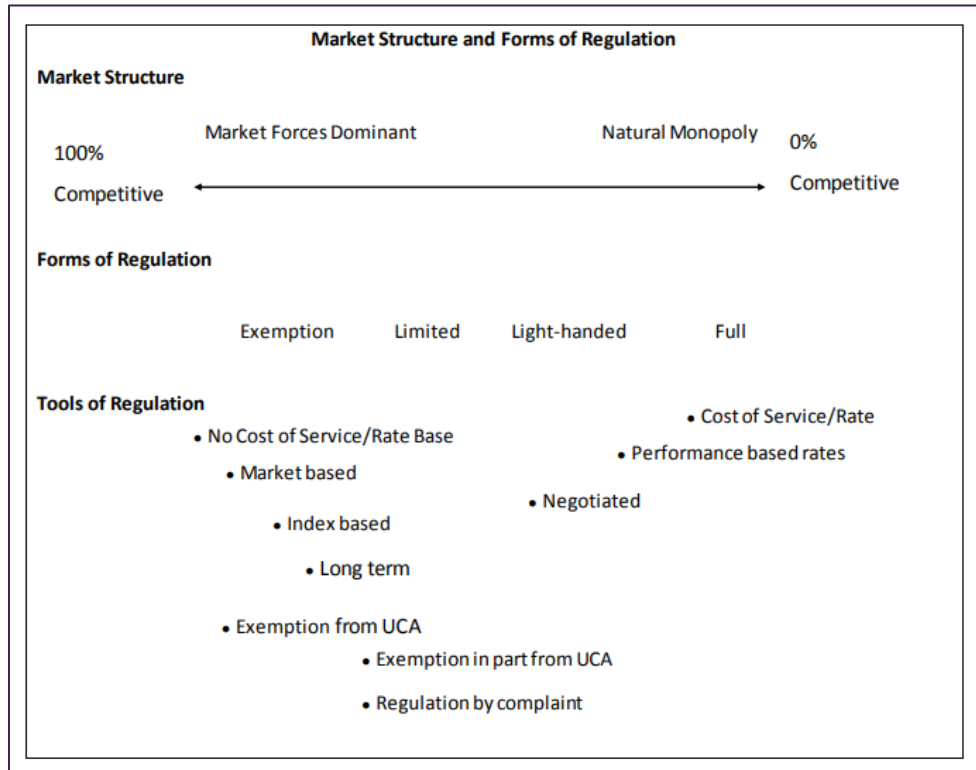
¹ http://www.bcuc.com/Documents/Proceedings/2016/DOC_46352_05-19-2016_Bakerview-Exemption-Approved_G-71-16.pdf

² As defined by the *Strata Property Act* [SBC 1998].

**4.0 Reference: The BCUC Inquiry into FortisBC Energy Inc.’s Offering of Products and Services in Alternative Energy Solutions (AES) and Other New Initiatives proceeding, Order G-231-13A with reasons for decision, pp. 23–24
Proposed regulatory framework and guide for thermal energy service utilities**

On pages 23 and 24 of the Reasons for Decision attached to Order G-231-13A, the BCUC states:

The [AES] Inquiry found that the form of regulation should be determined by the market structure. The Panel agrees with this assessment. The figure below illustrates the Panel’s view of the relationship between market structure and the various tools of regulation.



The Panel in Order G-231-13A also agreed with the basic regulatory concepts outlined in the AES Inquiry Report whereby regulation should be the option of last resort and competition should always be preferred over regulation.

- 4.1 Please discuss whether the BCUC in this EV Inquiry should consider the relationship between market structure and forms of regulation, as shown above in the diagram. If not, why not?
- 4.2 Suppose the BCUC uses the above diagram as a guide to determine the appropriate form of regulation. Given the market structure noted in BCSEA’s submission, what would be the corresponding form of regulation and tool of regulation? If any different, please explain in terms of the BCSEA’s view of the current market structure and the expected market structure in the next 3-5 years.

B. HYDROGEN FUEL CELL TECHNOLOGY

**5.0 Reference: Exhibit C6-2, p. 4; Exhibit C19-2, p. 2
Fuel Cell Electric Vehicle**

On pages 4 and 5 in Exhibit C6-2, BCSEA states:

The Commission's approach to regulation of EV charging services should be designed to foster the rapid development of electric vehicles in all B.C. transportation sectors...

EV charging services provided by entities exempt from the definition of "public utility" in the UCA are already not regulated by the Commission, and in BCSEA-SCBC's view should remain unregulated.

On page 2 of Exhibit C19-2, the Ministry of Energy, Mines and Petroleum Resources states that "The Province is active in promoting the uptake of zero emission vehicles (ZEVs), including battery-electric, plug-in hybrid, and fuel cell vehicles."

In accordance with the *Utilities Commission Act (UCA)*:

Public utility" means a person, or the person's lessee, trustee, receiver or liquidator, who owns or operates in British Columbia, equipment or facilities for the production, generation, storage, transmission, sale, delivery or provision of electricity, natural gas, steam or any other agent for the production of light, heat, cold or power to or for the public or a corporation for compensation

- 5.1 Please discuss whether BCSEA has any involvement in the Fuel Cell Electric Vehicles (FCEVs) and/or FCEV fueling infrastructure.
- 5.2 In BCSEA's view, would companies owning or operating public hydrogen fueling stations for the sale of hydrogen fall within the definition of a public utility as defined in the UCA? Why or why not?
 - 5.2.1 If so, does BCSEA believe that hydrogen fueling stations in BC should be exempt or excluded from the definition of a "public utility" in the UCA?