



May 3, 2018

Sent via email/eFile

BCUC REGULATION OF ELECTRIC VEHICLE CHARGING SERVICE INQUIRY EXHIBIT A-28
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Fred J. Weisberg
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Re: British Columbia Utilities Commission – An Inquiry into the Regulation of Electric Vehicle Charging Service – Project Number 1598941 – Information Request No. 1

Dear Mr. Weisberg:

Further to the March 16, 2018 filing of written evidence on behalf of Vancouver Electric Vehicle Association, 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 VANCOUVER ELECTRIC VEHICLE ASSOCIATION

A. BASIS FOR EV CHARGING SERVICE REGULATION EXEMPTION

**1.0 Reference: Exhibit C30-2, p. 4
Basis for regulation**

On page 4 of Exhibit C30-2, Vancouver Electric Vehicle Association (VEVA) states:

VEVA views an open, competitive market as the best means to achieve the necessary scale of charging infrastructure within a timeframe that reflects the rapidly accelerating pace of adoption of electric vehicles.

- 1.1 Please confirm, or explain otherwise, whether VEVA views that a market that is not subject to any utility regulation is the means to achieving an “open and competitive market”.
- 1.2 In a competitive market, there are low barriers to enter and exit. Please discuss the potential issues, if any, should EV charging service providers freely exit the market at any time.

**2.0 Reference: Exhibit C30-2, p. 6
Other jurisdictions**

On page 6 of Exhibit C30-2, VEVA states:

VEVA also understands that 21 states and the District of Columbia have passed legislation and/or regulations that exempted or excluded charging stations from being regulated as utilities.

- 2.1 Please discuss the other US states in which statutory amendments or regulatory clarifications were not made. Please clarify whether EV charging service provided by site hosts/third-parties are considered a regulated activity, or whether those US states have not made a determination.

**3.0 Reference: Exhibit C30-2, p. 6; Exhibit C6-2, p. 5
The BCUC Thermal Energy System Guidelines (TES Guidelines), p. 7
Class of cases exemption**

On page 6 of Exhibit C30-2, VEVA states:

VEVA believes that charging stations in British Columbia should be exempted or excluded from the definition of a “public utility” in the Utilities Commission Act, [RSBC 1996] CHAPTER 473 (UCA).

On page 5 of Exhibit C6-2, BC Sustainable Energy Association and sierra Club BC (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, BCUC granted Bakerview EcoDairy an exemption from Part 3 of the *Utilities Commission Act (UCA)*, except sections 25, 38, 42, 43, 44 and 49.¹

- 3.1 In VEVA’s view, if 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 VEVA’s view, should EV charging service be exempt from?
- 3.2 Does VEVA 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 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 VEVA’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.

**4.0 Reference: 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**

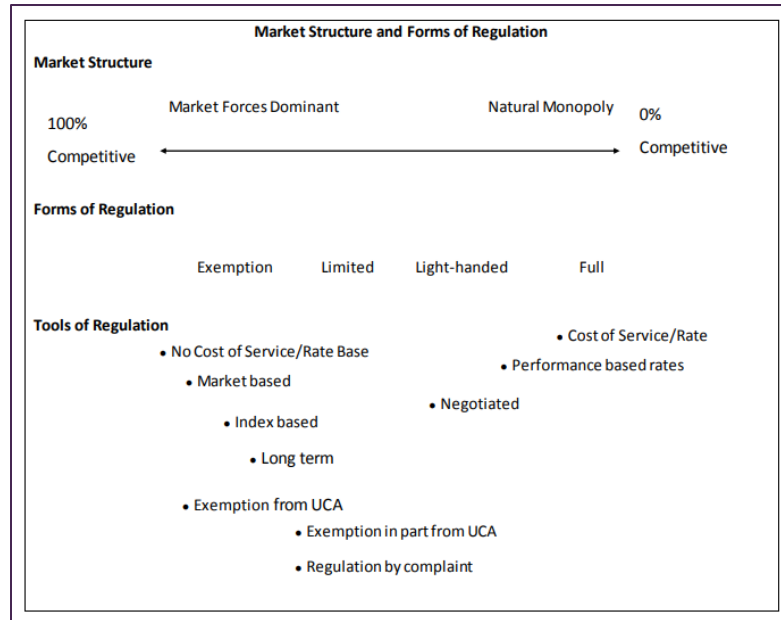
On pages 23 and 24 of the Reasons for Decision attached to Order G-231-13A, the BCUC states:

The [AES]³ 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.

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].

³ Inquiry into FortisBC Energy Inc.’s Offering of Products and Services in Alternative Energy Solutions and Other New Initiatives



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 VEVA's submission, what would be the corresponding form of regulation and tool of regulation? If any different, please explain in terms of the VEVA'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 C30-2, p. 6; Exhibit C19-2, p. 2 Fuel Cell Electric Vehicle (FCEV)

On page 2 of Exhibit C19-2, British Columbia 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 February 2016, the Province announced an investment of \$40 million for the CEV Program. The funding will be distributed over three years (2017-18, 2018-19, and 2019-20) to:

- Continue point-of-sale purchase incentives of up to \$5,000 for battery electric vehicles and \$6,000 for hydrogen fuel cell electric vehicles. When combined with SCRAP-IT program incentives, total savings could be up to \$11,000 for a new electric vehicle, and \$12,000 for a hydrogen fuel cell vehicle.⁴

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

⁴ Exhibit C12-2, Appendix 3, FACTSHEET: Clean Energy Vehicle Program/Innovative Clean Energy Fund, dated March 27, 2017.

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

- (a) 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

On page 6 of in Exhibit C30-2, VEVA believes that charging stations in British Columbia should be exempted or excluded from the definition of a "public utility" in the UCA.

- 5.1 Please indicate whether VEVA represent any FCEV members. If so, how many members own and/or drive FCEVs relative to VEVA's total membership?
- 5.2 In VEVA's view, from a user perspective, please compare the pros and cons of FCEVs relative to battery electric and plug-in hybrid electric vehicles.
- 5.3 In VEVA's view, from a charging infrastructure perspective, please compare and contrast the pros and cons of FCEVs relative to battery electric and plug-in hybrid electric vehicles.
- 5.4 In VEVA's view, would companies owning or operating public hydrogen fueling stations for the sale of hydrogen fall within definition of a public utility as defined in the UCA? Why or why not?
 - 5.4.1 If so, does VEVA believe that hydro fueling stations in BC should be exempt or excluded from the definition of a "public utility" in the UCA?