

D Barry Kirkham, QC⁺
Duncan J Manson⁺
Daniel W Burnett, QC⁺
Ronald G Paton⁺
Karen S Thompson⁺
Harley J Harris⁺
Kari F Richardson⁺
James W Zaitsoff⁺
Jocelyn M Bellerud⁺
Sarah M. Pélouquin^{**}

Robin C Macfarlane⁺
Alan A Frydenlund, QC⁺
Harvey S Delaney⁺
Paul J Brown⁺
Gary M Yaffe⁺
Jonathan L Williams⁺
Paul A Brackstone^{**}
Pamela E Sheppard⁺
Katharina R Spotzl

Josephine M Nadel, QC⁺
Allison R Kuchta⁺
James L Carpick⁺
Patrick J Haberi⁺
Heather E Maconachie
Michael F Robson⁺
Scott H Stephens⁺
George J Roper⁺
Sameer Kamboj

James D Burns⁺
Jeffrey B Lightfoot⁺
Christopher P Weafer⁺
Gregory J Tucker, QC⁺
Terence W Yu⁺
James H McBeath⁺
Edith A Ryan⁺
Daniel H Coles⁺
Patrick J O'Neill

Carl J Pines, Associate Counsel⁺
Rose-Mary L Basham, QC, Associate Counsel⁺
Jennifer M Williams, Associate Counsel⁺
Hon Walter S Owen, OC, QC, LLD (1981)
John I Bird, QC (2005)

⁺ Law Corporation
^{*} Also of the Yukon Bar
^{**} Also of the Ontario Bar

PO Box 49130
Three Bentall Centre
2900-595 Burrard Street
Vancouver, BC
Canada V7X 1J5

Telephone 604 688-0401
Fax 604 688-2827
Website www.owenbird.com

Direct Line: 604 691-7557
Direct Fax: 604 632-4482
E-mail: cweafer@owenbird.com
Our File: 23841/0179

May 15, 2018

VIA EMAIL – LES.MACLAREN@GOV.BC.CA

The British Columbia Ministry of Energy, Mines
and Petroleum Resources
Electricity and Alternative Energy Division
PO Box 9314, Stn Prov Govt
Victoria, BC V8W 9N1

Attention: Mr. Les MacLaren, Assistant Deputy Minister

Dear Sirs/Mesdames:

**Re: British Columbia Utilities Commission Inquiry into the Regulation of Electric
Vehicle Charging Service ~ Project No. 1598941**

We are counsel to the Commercial Energy Consumers Association of British Columbia (the "CEC"). Attached please find the CEC's Information Request on written evidence with respect to the above-noted proceeding.

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

Yours truly,

OWEN BIRD LAW CORPORATION



Christopher P. Weafer

CPW/jj

cc: Ministry of Energy, Mines and Petroleum Resources
Atten: Shannon Craig, Shannon.craig@gov.bc.ca
cc: BCUC – Atten: Patrick Wruck, Commission Secretary
cc: Registered Interveners
cc: CEC

**COMMERCIAL ENERGY CONSUMERS ASSOCIATION
OF BRITISH COLUMBIA (“CEC”)**

**INFORMATION REQUEST NO. 1 TO THE BRITISH COLUMBIA MINISTRY OF
ENERGY, MINES AND PETROLEUM RESOURCES “MEMPR”**

**British Columbia Utilities Commission – Inquiry into the Regulation of Electric Vehicle
Charging Service ~ Project No. 1598941**

May 15, 2018

1. Reference: Exhibit C19-2, Page 2

- encouraging the switching from one kind of energy source or use to another that decreases greenhouse gas emissions in British Columbia.

- 1.1 Given that the percentage of EVs car sales each year is very low now, albeit climbing rapidly, and that this will remain the case for some time yet into the future has the government policy for a low carbon future in transportation focused on the emissions from ICE vehicles, particularly given that the potential for efficiencies with known technology is available and increasingly present in the market?
- 1.2 Has MEMPR made any evaluations with respect to regulating the minimum level of emissions rating for vehicles sold in the Province at some time as part of a move to a low carbon economy?

2. Reference: Exhibit C19-2, Page 2

The Province is active in promoting the uptake of zero emission vehicles (ZEVs), including battery-electric, plug-in hybrid, and fuel cell vehicles. The Province’s Clean Energy Vehicle Program (“the CEV Program”) includes point-of-sale incentives for electric and hydrogen vehicles, investments in charging and fuelling infrastructure, additional support for fleets to adopt ZEVs, and investments in research, training and outreach.³ The CEV Program is intended to encourage and accelerate the adoption of ZEVs in British Columbia for both their environmental and economic benefits. The CEV Program vision is to

- 2.1 Does MEMPR have a quantitative analysis of the environmental and economic benefits for ZEVs to which it refers as the best information available and if so could that please be provided.
- 2.2 When determining incentive support for the CEV Program, does the MEMPR have a quantitative assessment of the limits to how much should be provided as incentives to achieve those benefits?

2.3 Does MEMPR have any assessment of the required conditions for transformation of the transportation market to low carbon options to no longer require incentives?

3. Reference: Exhibit C19-2, Page 3

fuel they supply. An agreement under the Renewable and Low Carbon Fuel Requirements Regulation allows a fuel supplier to receive compliance credits in exchange for investing in a new Scrap-It incentive. Scrap-It provides \$3,000 to customers who scrap an old vehicle and purchase a used electric vehicle, and \$6,000 for customers who purchase a new electric vehicle.⁵ The incentive is able to be combined with the CEV Program incentive, allowing a total incentive of up to \$12,000 for hydrogen fuel cell EVs, and up to \$11,000 for battery EVs.

3.1 For how long does MEMPR expect the Scrap-It incentive to be available?

3.2 Please explain the basis upon which compliance credits are earned (ie. The dollar value per what unit of investment over what period of time.) or whatever other metric is used to provide the compliance credits.

4. Reference: Exhibit C19-2, Page 3 & 4

The Province is also working with other jurisdictions to promote the uptake of ZEVs. Under the Pan-Canadian Framework on Clean Growth and Climate Change, federal, provincial and territorial governments committed to work with industry and stakeholders to develop a Canada-wide ZEV strategy by 2018.⁶ This strategy will be ambitious and will build on existing initiatives, such as light-duty vehicle

The Pacific Coast Collaborative (PCC) is a joint initiative of California, Oregon, Washington, and British Columbia to accelerate a vibrant, low-carbon economy on the West Coast. On October 28, 2013, the

In 2015, BC became the 14th jurisdiction to sign on to the International ZEV Alliance, which is a collaboration of national and subnational governments working together to accelerate adoption of ZEVs.

Members of the Alliance are striving to make all new passenger vehicles in their jurisdictions ZEVs by no later than 2050.⁸

plug-in hybrid vehicles) and hydrogen fuelling infrastructure (for fuel cell vehicles). The British Columbia Electric Vehicle Infrastructure Project ("the EVIP"), launched in 2012, was led by BC Hydro and supported by the Province of British Columbia, the federal government, municipalities and the private sector. The EVIP led to the installation and operation of over 500 Level 2 charging stations for public use in urban areas across the province, and 30 DC fast-charging stations along major transportation

In 2016, the PCC and the cities of Los Angeles, Oakland, Portland, San Francisco, Seattle and Vancouver signed the Pacific North America Climate Leadership Agreement, which includes a commitment to create a comprehensive Pacific Coast ZEV charging network along major highway systems from Southern California to British Columbia and accelerate the deployment of residential, workplace and public charging infrastructure in major population centers.⁹

- 4.1 Does MEMPR view the breadth of the collaborations it has entered into sufficient in population size and commitment to a low carbon economy to move the automobile industry manufacturers to be able to market and produce ZEVs to a higher percentage of new sales to meet the BC Climate Change goals or will further expansion and deepening of the commitments of the collaboration be required?

5. Reference: Exhibit C19-2, Page 4

Province, with partial funding for 21 new stations across BC. Most recently, in the Budget Update of September 2017, further Provincial investment in DC fast-chargers was confirmed, with \$2 million going into a multi-year joint call with Natural Resources Canada for a targeted additional 80 DC fast-charging stations in BC.

- 5.1 Does the Province expect that these additional 80 DC fast charging stations in BC will be implemented by BC Hydro and by FortisBC Inc. as utilities with the government contribution?
- 5.2 Does the government expect to make \$25,000 per station available to the private sector that may want to participate in establishing DC fast charging stations?

6. Reference: Exhibit C19-2, Page 6

MEMPR is currently using an EV modeling tool and collaborating with these organizations to determine the number of sites that will be required in the future in order to provide a complete EV charging network that allows reliable travel throughout the province and reduces lineups in urban centres. Initial modeling results indicate that approximately 200 Level 3 charging stations would be required at a minimum to allow for travel along all of BC's primary and secondary highway corridors. This figure would not include the need for more densely located DC fast-charging stations in urban centres. Natural Resources Canada is targeting a distance of approximately 50 kilometres between DC fast-charging stations. This distance is aligned with the Province's planning approach.

- 6.1 Once BC reaches a level where there is fast charging infrastructure geographically distributed across the Province does MEMPR expect that the remaining expansion will likely be volume driven by profitable operations such that the competitive market would be able and likely to supply the ongoing need or does MEMPR expect the utilities to continue to provide such services indefinitely into the future.

7. Reference: Exhibit C19-2, Page 8

There are a number of advantages and disadvantages associated with public utility involvement in EV charging services. An April 2016 article from the Center for Strategic and International Studies²² notes that establishing a profitable business model for EV charging infrastructure is challenging because of high upfront investment costs, low and uncertain near-term demand, and competition from home charging. The article notes that some see utilities “as the way to overcome all three of these challenges: utilities can address uncertainty by being told by regulators to install infrastructure (and at a pace directed by the regulator), can address the financing challenges by seeking ratebasing for the infrastructure, and can deploy in the immediate term if directed to do so by public utility commissions. In short, the market challenges faced by third-party EV charging vendors evaporate when the utility is the one doing the installing.” Disadvantages of public utility involvement include the potential risk to ratepayers and the potential for stifled competition.

- 7.1 Would MEMPR like to receive policy recommendations from the Commission’s EV Charging Inquiry on the appropriate approach to balancing acceleration of the low carbon transportation market based on utility support, particularly for DC fast charging, and the ongoing development of low carbon transportation as a private sector non-monopoly service?

8. Reference: Exhibit C19-2, Page 12

Based on the experience to date in BC and the experience in other jurisdictions that have allowed public utility involvement in the provision of EV charging services, MEMPR supports a role for public utilities in “kick-starting” the market for EV charging services. A role for public utilities would not preclude other entities from also investing in EV charging services.

- 8.1 “Kick starting” the DCFC network in BC could certainly be accomplished by BC’s electrical utilities relatively quickly and would be a clear role, does MEMPR expect that the regulated monopoly utilities would continue in this business indefinitely as utilities and or would MEMPR like to receive advice from the Commission’s Inquiry as to options for transitioning to full private sector competitive market supply.