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June 13, 2018

Patrick Wruck
Commission Secretary
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

**Re: Inquiry into the Regulation of Electric Vehicle Charging Service -
Project Number 1598941- Exhibit C 24-13**

Dear Mr. Wruck:

We would like to thank the B.C. Utilities Commission (BCUC) again for the Inquiry into the Regulation of Electric Vehicle Charging (EVC) Service, and for involving the Urban Development Institute (UDI) in the proceedings. We are pleased to respond to the Commercial Energy Consumers Association of British Columbia (CEC) queries. We circulated the questions to several of our members who continue to construct EVC infrastructure in their development projects. Please see our responses below.

Questions

- 1.1 Would UDI prefer to have any and all of its developments exempt from regulation potentially as “public utilities” through a class exemption, enabling the reselling of electricity, covering any and all types of EV charging infrastructure that may be implemented based on market requirements?**

Yes. Having this type of exemption is a good option that we would be willing to explore with the BCUC, the CEC and the BCOAPO. We would want to discuss including the potential of a “cost plus a percentage markup”, so there could be a reasonable return on the investments made in EVC infrastructure.

Not all developers will be interested in providing these services directly to stratas. They may still want to engage a third party company to supply, install, maintain and charge for use of EV infrastructure. Perhaps in these cases these companies could be governed as any other utility in which “costs plus a percentage markup” can be standardized. This will encourage them to operate at the greatest efficiency.

2.1 *Would these problems be relieved if it were clear that these costs could be recovered from EV charging station customers?*

Again, this could be an option provided to developers. However, many developers do not want to become a long term “owner” of EV infrastructure. In most scenarios, the developer will end up having to absorb this cost and the strata corporation would be the one reselling electricity. In general, yes, the issue would be assisted with the clarity that costs can be recovered through EV charging station customers. However, with potential infrastructure in some circumstances can be as high as hundreds of thousands of dollars in electrical infrastructure upgrades, the ability to recover these costs remains unclear.

An additional challenge for existing buildings is that their electrical rooms are not large enough to accommodate the extra infrastructure and are not well located to make running the feed to the necessary stalls easy. One potential approach would be to allow BC Hydro to bring additional service to buildings with a separate meter and panel specifically for EVC. Subsequently, these costs and the costs of the charging equipment could be rolled into recoverable expenses. Existing buildings may need to be addressed by separate regulation by the BCUC.

2.2. *Are these costs typically common area costs for buildings and recoverable through fees on one kind or another?*

It is not typical to have a developer recover significant infrastructure upgrades through fees except in the case of a late-comers agreement. However, as more EVC infrastructure is demanded, we need to find a method of passing these costs on without encumbering the price of units. This regulation revision may allow there to be a separate cost code for the infrastructure that is added to the charging fee and recovered over time – possibly with the developer engaging a supplier to bear all the cost and then providing them with the ability to recover through an operating agreement over a periods of time.

We would be very willing to have further discussions with third-party services, BC Hydro, CHOA, the CEC, the BCOAPO, others and the BCUC.

3.1 *The Commission may not have jurisdiction to provide authority to building owners but maybe able to exempt the building owners and third party providers from any restrictions on selling charging services to EV charging facility customers. Would that serve UDI interests satisfactorily?*

See UDI’s response for CEC question 1.1.

4.1 *If there is an exemption from being regulated as a utility then the building owners would be able to establish fees and would be required to recover any costs related to providing the EV charging services. Would this be satisfactory to UDI interests?*

It would not be fully satisfactory. It doesn’t answer the question of having BC Hydro carry some of these significant infrastructure increases in the general rate-base. If BC Hydro does not carry these costs – a system is needed to be able to clearly differentiate associated costs so they can be levied on the Electric Vehicle users

using the EVC infrastructure. We would need more detailed information from BC Hydro to do this.

Thank you again for allowing UDI to participate in this important Inquiry. If you have any further questions regarding our submissions, please do not hesitate to contact us. We would be very willing to discuss these issues with the other parties.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Anne McMullin', with a long horizontal flourish extending to the right.

Anne McMullin
President & CEO

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