



August 22, 2018

Mr. Patrick Wruck  
Commission Secretary  
British Columbia Utilities Commission  
6<sup>th</sup> Floor, 900 Howe Street  
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

Please find enclosed the British Columbia Ministry of Energy, Mines and Petroleum Resources' reply argument in the British Columbia Utilities Commission Inquiry into the Regulation of Electric Vehicle Charging Service (Project No.1598941).

If you have any questions regarding this submission or require any further information, please contact Shannon Craig at [Shannon.Craig@gov.bc.ca](mailto:Shannon.Craig@gov.bc.ca) or 778-698-7016.

Thank you.

Sincerely,

Les MacLaren  
Assistant Deputy Minister  
Electricity and Alternative Energy Division

Enclosure

**BC Ministry of Energy, Mines and Petroleum Resources**

**Reply Argument**

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

**Project No. 1598941**

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Introduction

1. This is the reply argument of the Ministry of Energy, Mines and Petroleum Resources (“MEMPR”) in the British Columbia Utilities Commission (“the Commission”) Inquiry into the Regulation of Electric Vehicle (“EV”) Charging Service (“the Inquiry”).
2. MEMPR has reviewed all final arguments submitted to the Commission as part of the Inquiry.
3. Although MEMPR does not agree with all of the arguments made by interveners, MEMPR is limiting its submissions in this reply argument to matters where:
  - further information from MEMPR may assist the Panel in its deliberations; or
  - MEMPR wishes to respond to a Government course of action recommended by an intervener.
4. MEMPR has organized its submissions as follows:
  - Application of the Electrical Safety Regulation to public utilities;
  - Mechanisms for achieving an “exemption” from provisions of the *Utilities Commission Act* (UCA); and
  - Response to recommendations for Government action.

Application of the Electrical Safety Regulation to public utilities

5. In its evidence submission, MEMPR indicated that:

The *Safety Standards Act* governs the installation, operation and maintenance of electrical equipment in BC. Technical Safety BC and eight local governments administer the *Safety Standards Act* and Electrical Safety Regulation. In addition to adopting the BC Electrical Code, the Electrical Safety Regulation sets out requirements for permitting and worker qualifications.

The Electrical Safety Regulation does not apply to “public utilities” as defined in the UCA.<sup>1</sup> Based on the current definition of public utility in the UCA, this means that companies and individuals providing EV charging services for a fee are not subject to the requirements of the Electrical Safety Regulation. This creates a potential inconsistency in the regulation of free versus for-compensation EV charging stations.

6. Flintoff<sup>2</sup> argues that Commission oversight of safety for EV charging stations is necessary because of this gap in the application of the Electrical Safety Regulation. The Commercial Energy Consumers Association of BC<sup>3</sup> (“the CEC”) and Greenlots<sup>4</sup> also refer to the information above in making their submissions.
7. Subsequent discussions with Technical Safety BC have revealed that the information provided by MEMPR in its evidence submission is incorrect, and that there is no gap or inconsistency in the application of the Electrical Safety Regulation with respect to EV charging stations.
8. Section 3 of the Electrical Safety Regulation states that the regulation “does not apply to a public utility as defined in the UCA in the exercise of its function as a utility with respect to the generation, transmission and distribution of electrical energy” (underlining added). Technical Safety BC has advised MEMPR that it considers EV charging stations to fall outside of a public utility’s generation, transmission and distribution system and therefore the requirements of the Electrical Safety Regulation always apply to the installation and operation of an EV charging station. Technical Safety BC also advises that delegated local governments share this interpretation.
9. MEMPR asks that the Panel consider this new information when evaluating whether Commission oversight of EV charging station safety is required, as contemplated under sections 25 and 38 of the UCA. Based on this new information, it appears to MEMPR that Technical Safety BC and delegated local governments are better positioned to provide this type of oversight and ensure the safe operation of EV charging stations.

#### Mechanisms for achieving an “exemption” from provisions of the *Utilities Commission Act*

10. Interveners made a variety of submissions regarding how EV charging stations could be exempted or excluded from the application of provisions under the UCA, including:
  - a change to the definition of public utility under the UCA;
  - a Minister’s exemption under section 22 of the UCA; or
  - a class exemption under section 88 of the UCA.

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<sup>1</sup> See Section 3 of the Regulation: [http://www.bclaws.ca/civix/document/id/complete/statreg/100\\_2004#section3](http://www.bclaws.ca/civix/document/id/complete/statreg/100_2004#section3)

<sup>2</sup> [Exhibit C4-11](#), page 17 to 19

<sup>3</sup> [Exhibit C24-19](#), page 19.

<sup>4</sup> [Exhibit C15-5](#), page 4.

11. MEMPR wishes to provide the following comments on these submissions:

- A change to the definition of public utility under the UCA is a legislative change that must be approved by the BC legislature. MEMPR is not opposed to considering such a change. MEMPR agrees that the current definition of public utility under the UCA is capturing entities that were not contemplated when the legislation was initially put into effect.
- Contrary to comments received during this Inquiry, the Minister's authority to grant exemptions under section 22 of the UCA cannot be used to grant an exemption for a "class" of entities or equipment; it can only be used to provide exemptions to individual public utilities. This may not be an effective tool for the purpose of granting exemptions to many entities owning and/or operating EV charging stations.
- Section 88 of the UCA permits the Commission, with the advance approval of the Minister responsible for the *Hydro and Power Authority Act*, to exempt a person from the application of all or any of the provisions of the UCA.

#### Response to recommendations for Government action

12. Some interveners made recommendations for Government action as part of their final argument, either directly or as a suggested outcome of the Inquiry.

13. MEMPR supports a significant expansion of public EV charging infrastructure in BC, which will be required in order for the Province to meet provincial, national and international commitments on climate change, reduce transportation-related greenhouse gas emissions, and increase the number of zero-emission vehicles on the roads in BC. MEMPR appreciates the recommendations from interveners on how this expansion can be achieved, which includes recommendations relating to use of the Greenhouse Gas (Clean Energy) Reduction Regulation to incent public utility investment in the EV charging market, and recommendations to address issues associated with EV charging in stratas and multi-unit residential buildings. MEMPR intends to consider these recommendations, and any recommendations to Government flowing from this Inquiry, within the policy framework of its Clean Growth Strategy for release later this year.

14. To assist the Panel as it considers these recommendations for Government action, MEMPR provides the following comments on several of the specific recommendations made by interveners.

15. Tesla<sup>5</sup> has recommended that the findings from the Inquiry be deferred until Cabinet can consider the public policy implications and/or until Government can provide clarity on the definition of public utility. MEMPR does not support a deferral of the Inquiry.

16. Through the Inquiry, the Panel has collected a significant amount of information from interveners with a variety of perspectives regarding the implications of EV station regulation and MEMPR looks

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<sup>5</sup> [Exhibit C28-6](#), page 2.

forward to the Panel's analysis and conclusions. The findings from the Inquiry will help to inform future Government policy decisions regarding the regulation of EV charging.

17. Tesla indicates that the Inquiry has created business uncertainty. MEMPR agrees that the EV charging market requires certainty and hopes that the findings and recommendations resulting from this first phase of the Inquiry will provide the certainty required to incent a competitive market for EV charging. In MEMPR's view, any business uncertainty will be prolonged if the findings from this phase of the Inquiry are deferred.
18. The CEC<sup>6</sup> submitted that the Commission should recommend that the provincial government control local governments with respect to imposing costs for unutilized EV infrastructure. MEMPR encourages local governments to plan for future EV use, including through requirements for EV charging capability in new construction. MEMPR does not agree with CEC's suggestion that this practice will eventually lead to increased costs to ratepayers, or that control of local governments in this regard is within the provincial government's authority or required.
19. The Ministry appreciates the opportunity to comment, and looks forward to the Commission's recommendations.

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<sup>6</sup> [Exhibit C24-19](#), page 35.