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ORDER NUMBER G-219-23

IN THE MATTER OF the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

British Columbia Hydro and Power Authority
Public Electric Vehicle Charging Service Rates Application

BEFORE:

D. M. Morton, Panel Chair A. K. Fung, KC, Commissioner E. B. Lockhart, Commissioner

on August 17, 2023

ORDER

WHEREAS:

- A. On July 28, 2023, British Columbia Hydro and Power Authority (BC Hydro) applied to the British Columbia Utilities Commission (BCUC) for approval of the BC Hydro Public Electric Vehicle (EV) Charging Service Rates Application (Application) pursuant to sections 58 to 61 and 90 of the *Utilities Commission Act*:
- B. By Order G-89-21 dated March 23, 2021, the BCUC approved Rate Schedules (RS) 1360, 1560, and 1561 on an interim basis, effective May 1, 2021. Further, the BCUC confirmed in Order G-89-21 that it would determine the manner by which any variance between the approved interim rates and permanent rates, including interest if any, will be refunded to or collected from customers or a class or classes of customers at the time the BCUC renders its final decision on a permanent EV fast charging rate;
- C. By Order G-18-22 dated January 26, 2022, BCUC directed BC Hydro to file a new application for a permanent EV fast charging rate by no later than December 31, 2022. The interim rates as established by Order G-89-21 remain in place until permanent rates are set by the BCUC;
- D. By Order G-391-22 dated December 29, 2022, the BCUC granted BC Hydro's extension request to file the Application from December 31, 2022 to June 30, 2023. BC Hydro subsequently requested a further extension to file its Application by July 28, 2023;
- E. In the Application, BC Hydro seeks BCUC approvals for:
 - Proposed rates (Proposed Rates) and terms and conditions as set out in RS 4100 for Public EV Charging Service, on a permanent basis, without applying the 2024 general rate increase approved in Order G-154-23 because the Proposed Rates have already taken that increase into consideration;

- ii. The rescindment of RS 1360, 1560, and 1561, effective September 1, 2023; and
- iii. The establishment of a separate class of service for Public EV Charging Service;
- F. BC Hydro requests interim approval of the Proposed Rates, to take effect on September 1, 2023, on a non-refundable and non-recoverable basis due to administrative limitations associated with refunding or recovering the differences between interim and permanent rates from charging service customers; and
- G. The BCUC has commenced its review of the Application and finds that the following determinations are warranted.

NOW THEREFORE the BCUC orders as follows:

- 1. Interim approval of the Proposed Rates as set out in RS 4100 on an interim and non-refundable and non-recoverable basis, effective September 1, 2023, is denied for the reasons for decision set out in Appendix A to this order. RS 1360, 1560, and 1561 as established by Order G-89-21 are to remain in place, until the BCUC directs otherwise.
- 2. The regulatory timetable for the review of the Application is established as set out in Appendix B to this order.
- 3. BC Hydro must provide a copy of this order on or before Thursday August 24, 2023, electronically where possible, to:
 - All registered interveners in the BC Hydro Fiscal 2022 Revenue Requirements Application (RRA) and BC Hydro Fiscal 2020 to Fiscal 2021 RRA proceedings;
 - b. All registered interveners in the BC Hydro Public EV Fast Charging Rate proceeding; and
 - c. The participants in BC Hydro's May 26, 2023 public engagement workshop regarding EV public charging.
- 4. BC Hydro must post the Public Notice, similar in format and content to Appendix C of this order on BC Hydro's Twitter, LinkedIn and Facebook social media platforms, on or before Thursday, August 24, 2023.
- 5. BC Hydro must also publish weekly reminder notices on each of these platforms until the conclusion of the intervener registration period on Thursday, September 7, 2023.
- 6. BC Hydro is directed to provide confirmation of compliance with Directive 3 and 4 by Friday, August 25, 2023, and Directive 5 by Friday, September 8, 2023. Such confirmation shall include confirmation of the Public Notice published on BC Hydro's website, including a list of the social media platforms on which the Public Notice was posted, as well as a list of all parties notified.
- 7. In accordance with BCUC's Rules of Practice and Procedure, parties who wish to actively participate in this proceeding must submit a Request to Intervene Form, available on the Get Involved in a Proceeding section of the BCUC's website at https://www.bcuc.com/GetInvolved/GetInvolvedProceeding, by the date established in the regulatory timetable.

DATED at the City of Vancouver, in the Province of British Columbia, this	17 th	day of August 2023.
BY ORDER		
Original signed by:		
D.M. Morton Commissioner		

Attachment

British Columbia Hydro and Power Authority Public Electric Vehicle Charging Service Rates Application

REASONS FOR DECISION

1.0 Background

On July 28, 2023, British Columbia Hydro and Power Authority (BC Hydro) applied to the British Columbia Utilities Commission (BCUC) for approval of the BC Hydro Public Electric Vehicle (EV) Charging Service Rates Application (Application) pursuant to sections 58 to 61 and 90 of the *Utilities Commission Act*.

By Order G-89-21 dated March 23, 2021, the BCUC approved the following time-based Rate Schedules (RS) on an interim basis, effective May 1, 2021:

- 1. RS 1360 for fast charging service at 25 kilowatt (kW) stations at \$0.12 per minute;
- 2. RS 1560 for fast charging service at 50 kW stations at \$0.21 per minute; and
- 3. RS 1561 for fast charging service at 100 kW stations at \$0.27 per minute.

Also in Order G-89-21, the BCUC established that it would determine the manner by which any variance between the approved interim rates and permanent rates, including interest if any, will be refunded to or collected from customers or a class or classes of customers at the time the BCUC renders its final decision on a permanent EV fast charging rate.

By Order G-18-22 dated January 26, 2022, the BCUC rejected BC Hydro's rates proposal above on the basis that they are not just and reasonable under the *Utilities Commission Act* partly because the proposed rates do not recover the full cost of providing the service. The BCUC directed BC Hydro to file a new application for a permanent EV fast charging rate by no later than December 31, 2022. The interim rates as established by Order G-89-21 remain in place until permanent rates are set by the BCUC.

By Order G-391-22 dated December 29, 2022, the BCUC granted BC Hydro's extension request to file the Application from December 31, 2022 to June 30, 2023. BC Hydro subsequently requested and received a further extension to file the Application by July 28, 2023.

2.0 Application

In the Application, BC Hydro seeks BCUC approval, among other matters, for the proposed rates (Proposed Rates) and terms and conditions as set out in RS 4100 for Public EV Charging Service, on a permanent basis, without applying the 2024 general rate increase approved in Order G-154-23, as BC Hydro submits that it is already reflected in the rates. BC Hydro requests the BCUC to rescind RS 1360, 1560, and 1561, effective September 1, 2023.² RS 4100's Proposed Rates are shown in Table 1 below.

¹ BC Hydro Public EV Fast Charging Service Rates Decision and Order G-18-22, pp. 36–37.

² Exhibit B-1, pp. 1-11–1-12.

Table 1: BC Hydro RS 4100 Proposed Rates³

Power Level	Time-Based Charge (¢ / min)	Energy-Based Charge (¢ / kWh)
Level 2	3	33
Up to 25 kW Fast Charging	13	44
Greater than 25 kW and less than or equal to 50 kW Fast Charging	25	44
Greater than 50 kW and less than or equal to 100 kW Fast Charging	33	44
Greater than 100 kW and less than or equal to 200 kW Fast Charging	55	44
Greater than 200 kW Fast Charging	60	44
Extended Stay Charge	40 ¢ / min	

BC Hydro notes that RS 1360, RS 1560 and RS 1561 apply to Level 3 charging stations only and Level 2 charging stations are currently offered free of charge. In contrast, the Proposed Rates would be applicable at charging stations that may contain alternating current Level 2 charging ports and/or Level 3 direct current fast charging ports. As part of the Proposed Rates, BC Hydro has also included an extended stay charge to help to reduce congestion at certain stations by discouraging extended stays after a charging session has ended.

BC Hydro requests interim approval of the Proposed Rates to take effect on September 1, 2023, on a non-refundable and non-recoverable basis. BC Hydro explains that it has limited or no contact information for individuals who are not BC Hydro public charging network members, as it does not require membership to use its public EV charging stations. Therefore, BC Hydro cannot refund or recover any difference between the interim rates and the final approved rates from anonymous customers. BC Hydro also requests interim approval to commence collecting revenue at the Proposed Rates from public EV charging service customers and to apply the new service terms and conditions as soon as practicable.

BC Hydro states that the Proposed Rates are designed to fully recover the forecast costs of providing the public EV charging service, including electricity costs comparable to the electricity costs paid by exempt-utilities that provide EV charging service, on a 10-year levelized basis.⁹

BC Hydro notes that Measurement Canada is responsible for ensuring that any measuring device used for trade is accurate, including EV charging stations that dispense electricity to charge an EV.¹⁰ Measurement Canada has provided a process to enable energy-based billing when using EV charging stations, as long as the EV network operator and the EV charging equipment meet specific terms and conditions through Measurement Canada's

³ Exhibit B-1, p. 1-2.

⁴ Exhibit B-1, footnote 2, p. 1-1, Table 5-2, p. 5-8.

⁵ Exhibit B-1, footnote 2, p. 1-1.

⁶ Exhibit B-1. p. 1-9.

⁷ Exhibit B-1, p. 1-11.

⁸ Exhibit B-1, pp. 1-11-1-12.

⁹ Exhibit B-1, p. 1-3.

¹⁰ Exhibit B-1, p. 6-3.

temporary dispensation programs.¹¹ The Proposed Rates include both time-based and energy-based charges, as BC Hydro will transition to energy-based rates over time.¹²

BC Hydro states that it is in the process of clarifying the requirements to complete its temporary dispensation application to Measurement Canada and expects to submit its dispensation application to Measurement Canada for currently deployed charging stations, by the end of September 2023. Measurement Canada estimates the processing time for applications to be approximately two months.¹³

As for the Application review process, BC Hydro proposes one round of information requests, limited in scope to determining whether the Proposed Rates adequately reflect the parameters set out by Order G-18-22, and further process to be determined.¹⁴

3.0 Panel Determination

Interim approval of the Proposed Rates as set out in RS 4100 on an interim and non-refundable and non-recoverable basis, effective September 1, 2023 is denied. RS 1360, 1560, and 1561 as established by Order G-89-21 are to remain in place on an interim basis, until the BCUC directs otherwise.

The Panel acknowledges that BC Hydro's Proposed Rates under 4100 are designed to fully recover BC Hydro's forecast cost for public EV charging service on a 10-year levelized basis, as the existing rates do not recover the full cost of providing service. While the merits of BC Hydro's Application will be examined further in the review of this proceeding, the Panel considers that the rate design of the Proposed Rates under RS 4100 is materially different than RS 1360, 1560, and 1561, including:

- Certain rates that are at power level intervals rather than at specific power levels. For instance, BC
 Hydro proposes to charge a rate of \$0.25 per minute for "Greater than 25 kW and less than or equal to
 50 kW Fast Charging". This is different than the existing rate design of \$0.21 per minute at 50 kW
 stations;
- Various Energy-Based Charges;
- Rates for Level 2 charging; and
- An Extended Stay Charge.

The Panel finds that BC Hydro is unclear on how it will refund to or recover the difference between interim and permanent rates from RS 1360, 1560, and 1561 customers as contemplated by the BCUC in Order G-89-21 if these rate schedules are rescinded after September 1, 2023. As the rate design elements between the existing interim rates and the Proposed Rates under RS 4100 are different as noted above, there will be variances between the revenue collected from RS 1360, 1560, and 1561 customers and new revenues to be collected from customers under the Proposed Rates via RS 4100 if interim approval is granted.

The BCUC in Order G-89-21 stated that any variance between the approved interim rates of RS 1360, 1560, and 1561 and permanent rates, including interest if any, will be refunded to or collected from customers or a class or classes of customers at the time the BCUC renders its final decision on a permanent EV fast charging rate. While permanent rates will be examined in this proceeding, in BC Hydro's interim approval sought for the Proposed

¹¹ Exhibit B-1, p. 6-4.

¹² Exhibit B-1, p. 1-10.

¹³ Exhibit B-1, pp. 6-4--6-5.

¹⁴ Exhibit B-1, p. 1-12.

Rates, no information was provided to address the disposition of any applicable refunds or recoveries relating to the existing interim rates under RS 1360, 1560, and 1561 if these rate schedules cease to exist. Therefore, if the Proposed Rates are approved on an interim basis, it is unclear to the Panel how BC Hydro will address the differences between the two interim approvals.

Further, even if the Panel approves the Proposed Rates on an interim basis, such approval would not be granted on a non-refundable or non-recoverable basis. The Panel understands the administrative difficulty if BC Hydro is directed to refund or collect from individuals who paid for BC Hydro's EV public charging service in the past. However, BC Hydro does not necessarily need to contact specific customers who paid the interim rates.

Collecting or refunding differences between interim and permanent rates is an imprecise process. Typically, when interim rates are made permanent, any refund (or recovery as the case may be), is not necessarily made to the customer who paid the interim rate. Refunds and recoveries are only made to or from whomever is a customer at the time the rate is made permanent. Any customer who paid the interim rate and then ceased to be a customer by the time the rate is made permanent is neither liable to pay any difference between the interim rate and the permanent rate nor do they receive any overpayment on account thereof.

In the case of an interim EV charging rate, upon the rate being made permanent, the difference between the interim and permanent rate can be collected from (or paid to) EV customers who take service at the permanent rate. Therefore, the Panel does not agree with BC Hydro that it cannot refund or recover any difference between the interim rates and the final approved permanent rates.

Another issue relating to the Proposed Rates is the alternative of the Energy-Based Charge. The Panel recognizes that the BCUC previously found that a time-based EV charging rate is a discriminatory rate, albeit not an unduly discriminatory rate, given that it is the only option available in the absence of a dispensation from Measurement Canada. However, BC Hydro still has not submitted its dispensation application to Measurement Canada at this time, and thus, time-based EV charging rates remain the only option for BC Hydro. We find it premature to approve energy-based EV charging rates on an interim basis until such time as BC Hydro receives the required approvals from Measurement Canada.

However, the Panel agrees that BC Hydro should begin collecting revenue under RS 4100 as soon as practicable. Existing rates do not recover the full cost of BC Hydro providing public EV charging service, which may necessitate a larger rate increase as time passes. Therefore, we find that incorporating a Streamlined Review Process will help expedite our review of the Application. At this early stage of the review process, we are not persuaded that the scope of information requests should be limited to certain parameters as BC Hydro proposes. We expect that BC Hydro in its Application has provided relevant and appropriate information to support the approvals sought. Accordingly, the Panel establishes a regulatory timetable for the expedited review of the Application as set out in Appendix B of this Order G-219-23.

British Columbia Hydro and Power Authority Public Electric Vehicle Charging Service Rates Application

REGULATORY TIMETABLE

Action		Date (2023)	
BC Hydro Public Notice of Application		Thursday, August 24	
Confirmation of compliance with Directive 3 and 4 of Order G-219-23		Friday, August 25	
Intervener registration		Thursday, September 7	
Confirmation of compliance with Directive 5 of Order G-219-23	Friday, September 8		
BCUC Information Request (IR) No. 1		Thursday, September 14	
Intervener IR No. 1	Thursday, September 21		
BC Hydro responses to IR No. 1	Monday, October 16		
Notice of intervener evidence		Tuesday, October 17	
Action	No Intervener Evidence	Intervener Evidence	
Intervener Evidence		Thursday, November 9	
IR No. 1 on Intervener Evidence	Not Applicable	Friday, November 24	
Intervener Evidence IR No. 1 responses	Not Applicable	Friday, December 8	
BC Hydro Rebuttal Evidence, if any		Friday, December 15	
	(2023)	(2024)	
Streamlined Review Process*	Monday, October 30 Tuesday, October 31 If necessary, Wednesday, November 1	Monday, January 15 Tuesday, January 16 If necessary, Wednesday, January 17	
Letters of comment deadline	Wednesday, November 1	Wednesday, January 17	
BC Hydro and Intervener Oral Final Argument and BC Hydro Oral Reply*	Thursday, November 2	Thursday, January 18	

^{*} Further details regarding the location and format will be issued in due course.



We want to hear from you

BC Hydro's Public EV Charging Service Rates Application

On July 28, 2023, BC Hydro applied to the BCUC for approval of the BC Hydro Public Electric Vehicle (EV) Charging Service Rates Application (Application). In the Application, BC Hydro requests approval of time-based and energy-based public EV charging rates as set out below:

Power Level	Time-Based Charge (¢/ min)	Energy-Based Charge (¢ / kWh)	
Level 2	3	33	
Up to 25 kW Fast Charging	13	44	
Greater than 25 kW and less than or equal to 50 kW Fast Charging	25	44	
Greater than 50 kW and less than or equal to 100 kW Fast Charging	33	44	
Greater than 100 kW and less than or equal to 200 kW Fast Charging	55	44	
Greater than 200 kW Fast Charging	60	44	
Extended Stay Charge	40 ¢ / min		

The BCUC has established an open and transparent public proceeding, which includes an opportunity for public comment and participation, to review BC Hydro's Application and determine rates for BC Hydro's public EV charging service.

Parties who wish to participate in the BCUC's regulatory review process are invited to request intervener status or submit letters of comment. All submissions will be considered by the Panel in its review of the Application.

For more information about the Application, please visit the <u>Proceeding webpage</u> on bcuc.com under "Our Work" to learn more.

To participate in the proceeding, visit the Get Involved in a Proceeding section of the BCUC's website at www.bcuc.com/GetInvolved.

GET INVOLVED

- Request intervener status
- Submit a letter of comment

IMPORTANT DATES

 Thursday, September 7, 2023 – Deadline to register as an intervener with the BCUC

<u>Subscribe to a Proceeding</u> on bcuc.com under "Get Involved" to receive email notifications when public documents are added to the proceeding.

CONTACT INFORMATION

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