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# ORDER NUMBER G-275-24

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

and

British Columbia Hydro and Power Authority
Public Electric Vehicle Charging Pilot Projects and Expedited Review Framework Proposal

### **BEFORE:**

M. Jaccard, Panel Chair B. A. Magnan, Commissioner

on October 28, 2024

### **ORDER**

#### WHEREAS:

- A. On July 31, 2024, British Columbia Hydro and Power Authority (BC Hydro) filed a proposal for an expedited review framework for the British Columbia Utilities Commission's (BCUC) approval of public electric vehicle (EV) charging pilot projects (Application) in accordance with Decision and Order G-67-24;
- B. By Decision and Order G-67-24 dated March 13, 2024, among other matters, the BCUC directed BC Hydro to file a proposal for an expedited review framework for BCUC approval of public EV charging pilot projects by July 31, 2024;
- C. By Order G-232-24 dated August 22, 2024, the BCUC established a regulatory timetable for the review of the Application, which included a letter of comments process;
- D. On September 13, 2024, BC Hydro submitted supplemental information to the Application as directed;
- E. By September 23, 2024, the BCUC received letters of comment from Mr. Guthrie, Mr. Flintoff, and the BC Sustainable Energy Association;
- F. On October 1, 2024, BC Hydro submitted its reply to the letters of comment along with amended versions of the EV Charging Pilot Project Application Form and Evaluation Report Form (Amended Forms), which were originally included in the Application; and
- G. The BCUC has reviewed the Application and associated documents and considers the following determination is warranted.

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**NOW THEREFORE** for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

- 1. BC Hydro's expedited review framework proposal for EV charging pilot projects as set out in the Application is approved, including the Amended Forms.
- 2. The commercially sensitive information to be provided in the redacted sections of the Amended Forms will be kept confidential, until the BCUC determines otherwise.

**DATED** at the City of Vancouver, in the Province of British Columbia, this 28<sup>th</sup> day of October 2024.

BY ORDER

Original signed by:

M. Jaccard Commissioner

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# British Columbia Hydro and Power Authority Public Electric Vehicle Charging Pilot Projects and Expedited Review Framework Proposal

## **DECISION**

## 1.0 Introduction

On July 31, 2024, British Columbia Hydro and Power Authority (BC Hydro) filed a proposal for an expedited review framework for the British Columbia Utilities Commission's (BCUC) approval of Public Electric Vehicle (EV) charging pilot projects (Application) in accordance with Decision and Order G-67-24.

By Decision and Order G-67-24 dated March 13, 2024 (2024 Decision), the BCUC approved BC Hydro's applied-for energy-based rates for its public EV charging service on a permanent basis and an extended stay charge of 40 cents per minute. The energy-based rates approved in the 2024 Decision were designed to fully recover BC Hydro's forecast cost of providing its public EV charging service on a 10-year levelized basis. BC Hydro noted that this rate design will protect other ratepayers and help provide a level playing field for other public EV charging service providers in BC.<sup>2</sup>

The approved energy rates also include a marketing budget of \$6.5 million over 10 years which allows BC Hydro to explore and test pricing alternatives in a timely manner in response to changes in market conditions. These pilots may include off-peak pricing, subscription-based pricing, location-based pricing, or other incentives. In the 2024 Decision, the BCUC directed BC Hydro to file a proposal for an expedited review framework for BCUC approval of public EV charging pilot projects by July 31, 2024.<sup>3</sup>

## 1.1 Regulatory Process

By Order G-232-24 dated August 22, 2024, the BCUC established a regulatory timetable for review of the Application, consisting of supplemental information from BC Hydro, letters of comment, and BC Hydro's reply to letters of comment. The BCUC received letters of comment from Gary Guthrie (Guthrie)<sup>4</sup>, Donald J. Flintoff (Flintoff)<sup>5</sup>, and BC Sustainable Energy Association (BCSEA)<sup>6</sup>. BC Hydro provided its response to the letters of comment on October 1, 2024.<sup>7</sup>

## 2.0 Expedited Review Framework for EV Pilot Projects

To facilitate the expedited review framework, BC Hydro proposes to submit an application form (Application Form) for each EV charging pilot project, followed by a review by the BCUC with a decision within three weeks of the Application Form being submitted. BC Hydro will also submit an evaluation report for each EV charging pilot project, by way of an evaluation report form (Evaluation Report Form).<sup>8</sup>

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<sup>&</sup>lt;sup>1</sup> Decision and Order G-67-24 dated March 13, 2024 (2024 Decision), p. 20.

<sup>&</sup>lt;sup>2</sup> 2024 Decision, p. 11.

<sup>&</sup>lt;sup>3</sup> 2024 Decision, pp. 14-15, p. 21.

<sup>&</sup>lt;sup>4</sup> Exhibit D-1

<sup>&</sup>lt;sup>5</sup> Exhibit D-2

<sup>&</sup>lt;sup>6</sup> Exhibit D-3

<sup>&</sup>lt;sup>7</sup> Exhibit B-4

<sup>&</sup>lt;sup>8</sup> Exhibit B-1, p. 2.

BC Hydro submits that a three-week review period is an appropriate timeframe for a decision for pilot project applications and that establishing a general target in the beginning can enhance overall project planning and implementation. However, depending on the scope and complexity, BC Hydro states that it could propose a longer timeframe for a decision target date for certain pilot projects.<sup>9</sup>

This decision addresses certain issues raised by Guthrie and Flintoff in their letters of comment. These issues are as follows:

- 1. Whether the review of each EV charging pilot project should have a public review process; and
- 2. Whether BC Hydro's confidentiality request to redact certain information in the EV charging pilot Application Form and Evaluation Report Form is appropriate.
  - 2.1 Public Review Process for Each Pilot Project

In his letter of comment, Guthrie submits that it is important for BC Hydro to ensure that all EV charging-related applications are conducted in a public process due to BC Hydro's position as a monopolistic energy supplier. Guthrie explains that a public process would increase EV charging availability and provide enhanced market data.<sup>10</sup>

BC Hydro submits that a public process for each pilot project is not necessary because 11:

- The marketing budget of \$6.5 million is incorporated into the rate model approved by the BCUC; and
- A public review process for BC Hydro's EV charging pilot projects could allow competitors to pursue similar initiatives before approval, potentially reducing the pilot's benefits and negatively affecting BC Hydro's users.

In its reply, BC Hydro separately defines "public process" and "public comments" in the below manner<sup>12</sup>:

- "Public process" refers to a review of the Application Form and Evaluation Report Form specific to a
  pilot project where the public version of those documents is posted on the BCUC website and made
  available to the public.
- "Public comments" refers to an opportunity for interested parties to provide comments or questions on the Application Form or Evaluation Report Form.

While BC Hydro agrees that "public comments" should be part of the "public process", it also explains that the BCUC's review of each EV charging pilot project should focus on confirming that the requirements of the Application Form template have been met and submits that any prolonged public process might result in BC Hydro losing an opportunity to pursue pricing flexibility.<sup>13</sup>

### Panel Determination

The BCUC considers various factors such as impacts to the utility and customers when it establishes a review process for a particular application. The BCUC in the 2024 Decision recognized the importance of a timely review for the effective launch of a pilot project, as BC Hydro must adapt to changes in the public EV charging market to compete with other service providers.

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<sup>&</sup>lt;sup>9</sup> Exhibit B-3, p. 4.

<sup>&</sup>lt;sup>10</sup> Exhibit D-1.

<sup>&</sup>lt;sup>11</sup> Exhibit B-3, p. 4.

<sup>&</sup>lt;sup>12</sup> Exhibit B-4, pp. 1-2.

<sup>&</sup>lt;sup>13</sup> Exhibit B-4, p. 2.

The Panel acknowledges that BC Hydro has designed certain forms to standardize the presentation of information which should expedite the BCUC's review process. We also agree that a timely decision of public EV charging pilot project applications will benefit BC Hydro and its customers. Therefore, the Panel accepts BC Hydro's proposal of a three-week time period for an expedited review of and decision on public EV charging pilot projects, provided that appropriate information is set out in the Application Form. However, as BC Hydro noted, certain pilot projects may require additional time depending on scope and complexity. In certain cases, the BCUC at its discretion may tailor the regulatory review process depending on factors such as project costs, duration, geographic location, potential customer impact, BC Hydro's requested decision timelines, and regulatory efficiency.

# 2.2 Request for Confidentiality

In the Application, BC Hydro proposes that the Design section of the Application Form and the Results and Evaluation sections of the Evaluation Report Form be filed confidentially. The Design section of the Application Form provides information about the proposed scope, forecast revenue and cost impacts of each pilot project, while the Evaluation section of the Evaluation Report Form provides information about whether the pilot project met its stated objective. BC Hydro submits that releasing this information publicly could enable competitors to adjust pricing and strategy, potentially impacting the pilot projects' test results and harming ratepayers. BC Hydro explains that this information would be redacted in the public versions of the Application Form and Evaluation Report Form.

Flintoff submits that BC Hydro's proposal to redact certain sections of the Application Form and Evaluation Report Form limits transparency regarding costs to ratepayers and could restrict a comprehensive public review of the pilot's cost effectiveness. <sup>16</sup> Flintoff explains that transparency regarding costs is critical for ensuring that ratepayers are not unfairly burdened. <sup>17</sup> While maintaining confidentiality for genuinely sensitive information helps protect BC Hydro's competitive position, Flintoff submits that BC Hydro does not need a competitive advantage for a project due to its public utility status, <sup>18</sup> stating that BC Hydro's operations should prioritize transparency and accountability to the public over competitive secrecy. <sup>19</sup>

In its reply to Flintoff, BC Hydro explains that in order to decide whether a pilot project rate application should be pursued on a permanent basis, the integrity and validity of the test results are critical. Disclosure of sensitive pricing information about a pilot project may compromise its ultimate outcome. Further, while BC Hydro supports a public process, it maintains that certain commercially sensitive information should be kept confidential. Therefore, BC Hydro submits that it is appropriate to keep certain elements of the Application Form and Evaluation Report Form confidential.<sup>20</sup>

However, in the interest of transparency, BC Hydro provides amended versions of its Application Form and Evaluation Report Form (Amended Forms) to include an "Estimated Budget and Expected Benefit" section and an "Actual Benefit" section, respectively. BC Hydro submits that providing this additional unredacted

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<sup>&</sup>lt;sup>14</sup> Exhibit B-1, pp. 3-4.

<sup>&</sup>lt;sup>15</sup> Exhibit B-4, p. 1.

<sup>&</sup>lt;sup>16</sup> Exhibit D-2, pp. 1-2.

<sup>&</sup>lt;sup>17</sup> Exhibit D-2, p. 2.

<sup>&</sup>lt;sup>18</sup> Exhibit D-2, p. 3.

<sup>&</sup>lt;sup>19</sup> Exhibit D-2, p. 4.

<sup>&</sup>lt;sup>20</sup> Exhibit B-4, pp. 3-4.

information strikes an appropriate balance between ensuring transparency for EV charging pilot projects and protecting the commercially sensitive information required to conduct the pilot projects.<sup>21</sup>

### **Panel Determination**

The Panel acknowledges concerns raised regarding the possible lack of transparency around project costs. However, the Panel notes that there is no incremental rate impact from the EV charging pilot projects since each project is funded from BC Hydro's marketing budget of \$6.5 million over 10 years, which was already approved in the 2024 Decision.<sup>22</sup>

The Panel agrees with BC Hydro that the public disclosure of commercially sensitive information could compromise the integrity of the pilot projects' test results and also any subsequent proposals for permanent programs, as BC Hydro competes with other service providers in the public EV charging market. We acknowledge BC Hydro's proposal to provide greater transparency by way of the Amended Forms. The Amended Forms provide estimated budget, expected benefit, and actual benefit in a non-confidential manner. We consider that this additional information strikes an appropriate balance between providing transparency in the pilot projects and maintaining confidentiality of commercially sensitive information necessary for their successful implementation. Therefore, the Panel accepts the Amended Forms as proposed by BC Hydro.

The commercially sensitive information to be provided in the redacted sections of the Amended Forms will be kept confidential, until the BCUC determines otherwise. In accordance with the BCUC's Rules of Practice and Procedure, BC Hydro is still expected to request and provide rationale for confidential treatment in each application and related filings.

October 2024.

<b>DATED</b> at the City of Vancouver, in the Province of British Columbia, this	28 <sup>th</sup>	day of
Original signed by:		
M. Jaccard		
Panel Chair/Commissioner		
Original signed by:		
B. A. Magnan		
Commissioner		

<sup>21</sup> Exhibit B-4, p. 4.

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<sup>&</sup>lt;sup>22</sup> Decision and Order G-67-24, p. 21.