

Ms. Nancy Marconi
Registrar
Ontario Energy Board
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2300 Yonge Street
Toronto, ON M4P 1E4

June 20, 2024

Electric Vehicle Integration (EVI) Initiative (EB-2023-0071)
Pollution Probe Comments

Dear Ms. Marconi :

The Ontario Energy Board (OEB) issued a letter on May 1, 2024 that invited stakeholders to a stakeholder session on June 13, 2024, to discuss a proposal for an electricity delivery rate for public EV charging stations that have a low load factor. Materials to support this stakeholder engagement, including a discussion paper was published on the OEB website.

Pollution Probe commends the OEB for soliciting broad stakeholder input and also for coordinating the June 13, 2024 Stakeholder Meeting to discuss issues and share input. The large number of participants and high level of input and questions showed the importance of ongoing, open consultation and the large interest in EV Integration issues. Facilitating collaborative open discussion is important for unlocking innovation and level-setting across industry stakeholders. This is especially true for difficult issues that require change from the status quo. There were more questions than the Q&A period at the June 13th session enabled for and the OEB has committed to publish the comments posted during the session, plus answers to the questions that were not answered. We look forward to review that material when available.

Pollution Probe supports the Minister of Energy (Ministry) and Ontario Energy Board (OEB) efforts in support of efficient, customer-centric integration of Electric Vehicles (EVs) into the electricity system. The number of fast charging stations in Ontario is relatively low and access to adequate charging has been identified as one of the top barriers for EV adoption. Preparing now is essential to succeed in the future as the pace of change accelerates. Without modern, integrated, detailed regulatory planning and execution, EVs can pose a challenge and the certain benefits will be lost. With proper modern detailed regulatory planning and execution, EVs, rate regulation and related infrastructure is an opportunity to reduce consumer costs, enhance gridésocietal benefits while enabling the Energy Transition.

Although the June 13th session and related materials are specific to the Retail Transmission Service Rate (RTSR) for load factor electric vehicle charging, it is important to consider EV Integration issues in an integrated manner. Assessment of individual issues alone will do little to achieve the overall policy goal of enabling EVs and leveraging their full potential as a Distributed Energy Resource (DER). Support for managed charging and V2X enablement are also important topics to maximize the value of Evs.

Below are the questions identified by OEB Staff and initial input for consideration. There was a lot of input already provided during the stakeholder session and even more will come through this process. As the OEB synthesizes this input, it would be helpful to share it back to stakeholders in an integrated manner to provide a cohesive summary of

how different issues are being considered or addressed. The decision process is just as important as the outcome for enabling broader stakeholder alignment.

- What do you think of the voluntary opt-in nature of the proposed EVC Rate?
Should there be a limit on how frequently a participant may opt in and out of the EVC Rate?
 - Voluntary opt-in is the most flexible for charging station owners.
 - Voluntary opt-in could be more administratively difficult for LDCs to administer, particularly if there are no rules associated with switching.
 - It will be important to assess and balance LDC administrative input against the simplicity needed to make the approach work. Participation and success is typically correlated to the simplicity for participants.
- Do you have any advice on measuring demand for purposes of this EVC Rate?
 - OEB Staff proposed that EV charging stations must be separately metered to participate in the EVC Rate. Pollution Probe agrees.
- Do you have any advice on assessing a participant's ongoing eligibility for the EVC Rate?
 - Validation could be required each time a participant joins or rejoin the rate.
 - This is administratively efficient and will be an incentive not to switch regularly.
 - When an assessment of effectiveness is done by the OEB following a sufficient period (2 years?), a sample could be checked to ensure that they still align with eligibility requirements. If a problem occurs, it could be mitigated at that time.
- Should charging stations be required to provide service to all EV models to be eligible for the EVC Rate? Why?
 - This is not a firm requirement, but is certainly encouraged.
 - This would be difficult to monitor and validate.
 - Market forces are better at driving this feature than electricity rates, especially given that the proposal is to align with station load factor rather than provide subsidies.
- Would it be feasible for charging stations to provide universal service? How would it be accomplished?
 - This appears to be a market issues that could be difficult to address through electricity rates.
 - Encouragement to provide universal service is always a valid approach.
- What do you think of the proposed approach in which distributors would apply their existing procedures for dealing with participants whose monthly load factors occasionally exceed 15%?
 - This would provide flexibility, but be hard to track administratively.
 - Perhaps providing a certain number of occurrences (per month or year) that the station could exceed the threshold.
- Is the set of eligible auxiliary loads identified in the discussion paper appropriate? Are there others that you'd recommend?
 - Including eligible auxiliary loads is important.
 - The draft list provided by the OEB includes good examples of auxiliary loads related to a charging station.
 - The list may not be comprehensive of all circumstances and to avoid inadvertently excluding equipment relevant to the charging station, the OEB could use this as an illustrative list. Setting a limit based on an upper kW and/or percent of peak load would help ensure that the auxiliary loads remain in a reasonable range.
- Should stations that have some or no DCFC chargers be eligible for the EVC Rate?
 - This appears to be a market issues that could be difficult to address through electricity rates.
 - Encouragement to provide universal service is always a valid approach.
- Should a limit be prescribed on the share of charging station load that may come from other types of EV chargers that are not DCFC chargers? If so, what should that limit be?
 - This appears to be a market issues that could be difficult to address through electricity rates.
 - Encouragement to provide universal service is always a valid approach.

- What do you think of this approach of self-declaring eligibility for the EVC Rate?
 - Voluntary opt-in is the most flexible for charging station owners.
 - Voluntary opt-in could be more administratively difficult for LDCs to administer, particularly if there are no rules associated with switching.
 - It will be important to assess and balance LDC administrative input against the simplicity needed to make the approach work. Participation and success is typically correlated to the simplicity for participants.
- Is it appropriate that the attestation should come from a “representative” of the customer, or should something more specific be required? For example, should the attestation be signed by someone like a professional engineer?
 - Attestation from an authorize authority of the entity that owns the charging station would be required.
 - Additional attestation by an engineer could add costs and would not restrict a station owner from altering the station configuration/operation after the attestation is received.
 - As mentioned previously, an review should be done on the success of the program and opportunity for continuous improvement. During that process, a random audit of stations could be conducted to ensure compliance. If issues are identified, it may be required to strengthen requirements and monitoring.
- Are there any existing distributor processes for opting in that can be leveraged?
 - No comment.
- Do you agree with the proposed approach of not establishing new rate classes for participating EV charging stations upon implementation of the EVC Rate?
 - Working within existing rate classes is the most efficient when possible.
- What are your thoughts on the three EVC Rate design options?
 - It appears that OEB Staff preference for Option A based on administrative simplicity may have reduced considerations against the other options.
 - It is recommended that the OEB publish a decision matrix against all options once stakeholder input is received and synthesized.
- Which option would you recommend and why?
 - Option B or C would make the jump once the capacity factor goes about 15% not as sudden. It also may make it easier for investors as they know they’re payment will be really low if the capacity factor is low.
 - Customers/investors don’t want to see massive increases based on an arbitrary cutoff (in this case the 15%)
 - BC Hydro’s demand charge has slowly increasing rates to get customers used to the charges, not an either you are low demand and thus cheap, or based on an arbitrary cutoff high demand and thus full fee. – Please see <https://app.bchydro.com/accounts-billing/rates-energy-use/electricity-rates/fleet-electrification-rates.html>
 - Best way is to smooth the increase so that when the EV charging becomes more used, there is no rate shock. That will just lead to complaints from owners as they will not anticipate the increase.
 - Also, the 15% cutoff incentivises developers to NOT increase usage of their chargers otherwise the demand charges will increase. That could incentives developers to put public chargers in place they know will not be areas of high demand
 - We should be creating incentives to develop the industry, and then a clear pathway for the industry to learn how to survive without the incentives.
 - A slowly increasing rate (either B or C) gives owners the market signals on how to invest in chargers and does not penalise them for increasing use.
- How strong is your preference for the option that you recommend compared to the other EVC Rate design options?
 - It is recommended that the OEB publish a decision matrix against all options once stakeholder input is received and synthesized. This will ensure that the process is informed by full information.
- Do you have any other advice on what to consider when choosing the EVC Rate design option?
 - Nothing incremental to what is above at this time.

- What do you think of the approach of starting out with the RTSR reduction parameter issued by the OEB initially, but allowing the opportunity for distributors to propose more territory-specific EVC Rates in the future if they wish?
 - This is supported in a structured manner and it should be encouraged for leading LDCs to test opportunities that could be shared and leveraged more broadly.
 - LDC innovation and programs (ideally delivered in a joint manner with sufficient consultation) is essential to meet the needs of the energy transition.
 - Some LDCs will always be in a better position to lead innovation due to factors like scale, operations, customer diversity, partnerships (like those proactively working with municipalities with aligned goals through their energy and emission plans), etc.
- Does the potential distribution-specific customization of the EVC Rate in the future influence or change your thoughts on which EVC Rate design option (A, B or C) should be selected for now? For example, is one EVC Rate design option likely to be more amenable to customization than another?
 - It is recommended that the OEB publish a decision matrix against all options once stakeholder input is received and synthesized. This will ensure that the process is informed by full information.
- Does anything need to be clarified about RTSR DVAs before OEB staff's proposal is finalized?
 - Nothing at this point, but it is recommended to share the synthesized analysis of feedback against each option when available.
 - Once the decision has been made, it will be important to build out the communications that can be leveraged consistently by all stakeholders including LDCs.
 - It is recommended that all communications be used as an integrated opportunity to highlight the broader EV Integration toolset. Providing siloed communications have lower impact and would not align with driving the highest level of EV Integration in Ontario.
- What, if anything, is missing from the proposal discussion paper about RTSR DVAs that needs to be added before OEB staff's proposal is finalized?
 - Nothing at this point, but it is recommended to share the synthesized analysis of feedback against each option when available.
- Does anything need to be clarified about the RTSR workform and/or IRM Rate Generator Model before OEB staff's proposal is finalized?
 - Nothing at this point, but it is recommended to share the synthesized analysis of feedback against each option when available.
- What, if anything, is missing from the draft proposal discussion paper on the subject of the RTSR workform and/or IRM Rate Generator Model that needs to be added before OEB staff's proposal is finalized?
 - Nothing at this point, but it is recommended to share the synthesized analysis of feedback against each option when available.

Respectfully submitted on behalf of Pollution Probe.



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