

Submission – Delivery Rates for EV Charging

About SWTCH

As one of North America's fastest-growing providers of OCPP-certified EV charging solutions, SWTCH Energy Inc. is excited to work with the Ontario Energy Board (OEB) on finalizing a low-load factor rate that meets all regulatory objectives while significantly benefiting the end user.

Founded in 2016 by a team of entrepreneurs, investors, and energy professionals, SWTCH Energy Inc. aims to enable communities to realize the social, economic, and environmental benefits of widespread EV adoption. We assist utilities, municipalities, businesses, and building owners and operators in deploying EV charging solutions that optimize energy usage and revenue at scale using existing grid infrastructure. Through constant innovation and an extensive partnership network, SWTCH is making EV charging accessible to all.

Headquartered in Toronto, Ontario, with notable offices in strategic cities across North America, SWTCH Energy Inc. manages an expanding network of over 17,000 EV chargers across diverse property types. Our team of over 100 employees works across the US and Canada to support our growing network.

SWTCH is committed to partnering with the energy industry to maximize the use of existing grid infrastructure, leveraging software to intelligently manage when and how EVs charge, which lends capacity to the grid to balance supply and demand. This commitment has led SWTCH to spearhead several research and development (R&D) projects in advancing EV charging technologies by optimizing the coordination between energy resources to create a more resilient power grid and promote sustainable cities. This includes vehicle-to-grid (V2G), distributed energy resource (DER) aggregation, and transactive energy management-related technologies to facilitate demand response (DR), ultimately benefiting all energy consumers and prosumers.

Endorsement

The proposed modification to the RTSR for EVSE customers is crucial for proliferating EV charging stations in areas with low utilization, such as rural and remote locations. It also incentivizes installations in areas with lower EV adoption. It is an appropriate support, helping to multiply the efforts of the recent *ChargeON* program, administered by Ontario's Ministry of Transportation. The opt-in suggestion for the program is ideal in that it is a valued procedural step for LDCs to have visibility into the use of the energy being provided. The existing EVCCP process provides a ready-made opportunity to attest to the intention of the new connection and the usage profile anticipated. Finally, the cost-causality principle is sound, ensuring a rate structure that fairly apportions costs to grid demand and therefore more closely adheres to Bonbright principles.

SWTCH wholeheartedly endorses the direction of the proposal. Indeed, each of the suggested options are preferable to the status quo.

Recommendations with Rationale

Recommendation: Maintain separate metering requirements, consider use-agnostic energy limit for additional auxiliary load.

Rationale: The existing recommendations require EVSE to be separately metered and propose several amenities as appropriate auxiliary loads. SWTCH considers these amenities appropriate exclusions and endorses their inclusion as auxiliary loads, if the amenity-based option is preferred. The OEB may also want to consider a small shelter with air conditioning/heating depending on the season as an appropriate auxiliary load. However, it is SWTCH's position that the OEB should opt for a use-agnostic energy limit of up to 10% of the total load as auxiliary. As technology and ancillary services evolve, it's important not to be limited to specific use-cases, especially ones that may be interpreted distinctly by each LDC. It should also be noted that SWTCH's position is that aggregated AC charging should also qualify for this rate. If it is determined that the rate requires a DCFC "anchor," then AC charging should not be considered an auxiliary load, as it provides a needed service that meet driver needs in many situations.

Re-evaluation of Load Factor Cutoff

Recommendation: Increase the load factor cutoff to 20%, as supported by industry and Power Advisory recommendations in earlier consultations.

Rationale: A higher cutoff encourages broader participation in the rate and therefore supports installation in areas with sporadically high or constantly medium utilization, fostering greater EV infrastructure growth. This is particularly optimal if Option 2a is chosen, as there is a steep incremental rate that will be applied by the LDC (full RTSR) if the 15% threshold is crossed. SWTCH appreciates that with a higher load-factor cutoff, the discounted rate offered as part of Option 2a may need to be revised.

OEB Provided Options - Discount Implementation via Retail Transmission Service Rate (RTSR)

Recommendation: SWTCH endorses Option 2a due to its administrative simplicity in implementation, as well as the ability of Network Operators to explain this rate design to station owners and operators. We should also note that any of the proposed options is a preferable alternative to the status quo.

Rationale: SWTCH believes that given the large variability in RTSR, simplicity in load factor discount will expedite implementation and that goal—along with bill relief—is paramount in the purpose of this rate. We note that administrative and implication costs

were raised as a concern through the stakeholder advisory call and this option should mitigate those concerns.

Duration, Review Period, Universality

Recommendation: Do not create a sunset date for this rate. Conduct interim reviews, with the first review date at least five years post-implementation. Require all LDCs across the province to offer the rate.

Rationale: A non-time-limited rate provides stability and confidence for those investing in EVSE and the associated costs of installation, while interim reviews ensure adaptability to evolving market and technological conditions. Given the push towards a standardized process for EVSE installations across the province, it would be inappropriate to allow some LDCs to opt-out of offering this rate. This would also support EVSE owners operating in multiple service territories in modelling costs and revenues.

Charger Types

Recommendation: Apply the rate to both public DCFC and public AC chargers.

Rationale: Including both charger types broadens the equity and scope of the rate. Banks of AC charging, particularly at tourism destinations, hotels, and other areas with long dwell times and seasonally high usage could experience demand spikes disproportionate to their grid impact.

Early LDC Enrollment

Recommendation: Allow LDCs to begin using the new EVC RTSR in advance of the official implementation date.

Rationale: Early adoption by LDCs can streamline the transition process and provide early insights into the rate's effectiveness, facilitating smoother implementation. This is especially attractive given the administratively simple Option 2a, which should be able to facilitate earlier enrollment. This "early offering" suggestion was successfully pioneered during the initial Ultra-Low Overnight Rate design unveiling. There is little downside risk in providing the space to offer this rate early while still providing significant customer benefits for those that can offer it early.

Model Eligibility and Adaptors

Recommendation: Do not require serving all EV models for eligibility.

Rationale: Flexibility in model servicing ensures broader participation without imposing unrealistic technical requirements. There are very few stations throughout the province with the existing capacity to serve all models, given the mix of J1772, J3400, and CHAdeMO compatible vehicles currently and the only recent consolidation towards universalization of charging. Finally, it also places an inappropriate and undue burden on LDCs to verify the ability to service all models.

Fulsome Communications Exercise

Recommendation: Ensure the voluntary opt-in nature of this rate is accompanied by a thorough communication exercise by the OEB and LDCs.

Rationale: Effective communication is essential to inform stakeholders about the rate and its benefits, ensuring widespread and informed participation. LDCs should prepare individual outreach to potentially affected customers, and the OEB should also complete a fulsome communications campaign to inform customers (and those considering installing EVSE) about this forthcoming rate change. This is especially important as it may spur interest in installations, which have a meaningful lead time before energization.

Load-Factor Calculations

Recommendation: As in other jurisdictions, allow all EVSE owners onto the EVSE RTSR rate with review of eligibility after one year.

Rationale: To ensure fairness and simplicity, allowing all owners onto the rate from Day 1 will provide a standardized point across the province from which to analyze annual load factor. If usage exceeds the load factor rate on an annual basis, LDCs then can move those EVSE customers onto the regular GS rate. It would also be helpful if there was a standardized process across the province in determining how LDCs will calculate load factor – or, at minimum, transparency on how LF is calculated.

Relatedly, where cases exist of stations occasionally moving beyond a 15% load factor, the full RTSR should only apply for any LF beyond 15%.

Conclusion

SWTCH Energy Inc. appreciates the opportunity to provide feedback on the low-load factor rate design. We believe our recommendations will enhance the effectiveness of this rate structure, promoting EV adoption while optimizing grid utilization. We look forward to collaborating with the OEB, LDCs, and other stakeholders to achieve these goals.

Respectfully submitted,

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