

Ontario Energy Board
2300 Yonge St,
Toronto, ON
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Via email to: registrar@oeb.ca

Re: Electric Vehicle Integration (EVI) Initiative (EB-2023-0071) Electricity Delivery Rates for Electric Vehicle (EV) Charging Stakeholder Meeting Materials

This is meant to respond to your request for comments on the new EVC Rate as announced by the government. FLO is pleased to share our endorsement of the Ontario Energy Board's (OEB) implementation of a new Electric Vehicle Chargers (EVC) rate. As a leading North American provider of EV charging solutions, FLO is excited to collaborate with the OEB to ensure that Ontario is the right position to ensure that EV charging infrastructure is able to meet the needs of the province. FLO is committed to driving the transition to electric mobility by developing innovative, reliable, and efficient charging infrastructure.

By simplifying implementation, reducing administrative burdens, and ensuring fair cost allocation, the proposed EVC Rate aligns well with FLO's understanding of the steps needed to increase EV infrastructure in Ontario. We believe this initiative will not only promote greater participation in EV charging networks but also support optimal load management and further the widespread adoption of electric vehicles throughout the province.

We are particularly supportive of the OEB's proposal to adjust the Retail Transmission Service Rates (RTSRs) for electric vehicle charging stations. This reform is crucial in fostering the expansion and economic sustainability of EV infrastructure, especially in rural and underserved areas of the province.

FLO is eager to continue collaborating with the OEB and other stakeholders to realize the full potential of this progressive rate design. We are committed to supporting every stage of this initiative and are prepared to lend our expertise to ensure its success.

Thank you for considering our support and collaboration in this crucial consultation. We look forward to the opportunity to contribute to the future of electric mobility in Ontario.

Sincerely,



Frédérique Bouchard
Senior Public Affairs Manager
FLO

Submission – Delivery Rates for EV Charging

About FLO

[FLO](#) is a leading North American electric vehicle (EV) charging network operator and a smart charging solutions provider. We help to overcome climate change and accelerate EV adoption through a vertically integrated business model and by delivering EV drivers the best charging experience from curbside to countryside. Founded with the vision of making EV charging seamless and accessible, FLO partners with utilities, municipalities, businesses, and property owners to deploy scalable EV charging networks that optimize energy usage and promote economic growth.

Every month, we enable more than 1.5 million charging events thanks to over 100,000 fast and level 2 EV charging stations deployed at public, private and residential locations. FLO operates its network across North America with facilities in Michigan and Quebec.

In Ontario alone, there are over 3, 000 public FLO EV chargers, located from Colchester to Red Lake.

Endorsement

FLO broadly endorse the Ontario Energy Board (OEB)'s proposal to adjust the Retail Transmission Service Rates (RTSRs) for electric vehicle (EV) charging stations. This proposal is pivotal in promoting the expansion and economic sustainability of EV infrastructure in Ontario, particularly in rural and underserved regions of the province.

The proposed EVC Rate would simplify rate implementation, reduce overall administrative burdens, while still ensuring fair cost allocation. As such, the proposed EVC rate aligns with the province's broader objectives of supporting the widespread adoption of EVs, the deployment of EV charging infrastructure and efficient energy use across the province. FLO is committed to collaborating with the OEB and other stakeholders to realize the full potential of this improved rate design.

EVC Rate Reduces Retail Transmission Service Rates

The adjustment of RTSRs will help to reduce the transmission costs for EV charging stations, reflecting their actual impact on the transmission system, and promoting the development of EV infrastructure. The proposed adjustment will help to minimize the complexity within the implementation process for both utilities and charging station operators. Additionally, by avoiding the need for new rate classes or complex rate structures, the proposal reduces the administrative effort and costs associated with implementing and managing the new rates. Overall, the OEB's proposal to align transmission rates with the actual cost impact of low load factor EV charging stations will ensure a more equitable rate structure.

Mandatory EVC Rate Offering, Voluntary Customer Opt-In

FLO supports the OEB's proposal to make the EVC Rate mandatory for distributors to offer while allowing customers to opt-in voluntarily. This approach ensures the rate's availability across the province, truly benefiting all EV drivers in Ontario, encourages informed participation, and simplifies administration. By providing flexibility and promoting equity, the opt-in model aligns with industry best practices and supports the effective utilization of the EVC Rate, fostering the growth of EV infrastructure.

Maintaining Rate Classes

FLO is highly supportive of the OEB's proposal to not create new rate classes for EV charging stations, advocating for them to remain within the existing General Service 50 kW to 4,999 kW class. FLO views this approach as an elegant solution enabling an easier and faster implementation, reducing complexity and administrative burdens for both utilities and customers. By maintaining the existing rate structure, the proposal simplifies the transition to the new EVC Rate and avoids the need for additional consultations and burdensome regulatory processes that would further delay a much-needed change for EV drivers across the province.

Applicability to EV Fleet Charging Stations

FLO supports activities related to fleet enablement, but FLO's comments in this submission are limited to public DCFCs.

Eligibility Requirements

- 1. Demand between 50 kW and 4,999 kW*
- 2. Load factor of 15% or lower*
- 3. Publicly accessible*
- 4. Separately metered*

FLO agrees with the proposed demand range of 50 kW to 4,999 kW; the need for stations to be publicly accessible to be eligible; as well as with the requirement for separate metering. That said, FLO recommends increasing the load factor cutoff from 15% to 20%.

A 20% load factor cutoff, short of being in line with, would be closer to other jurisdictions best practices. As stated by Power Advisory in its EV Delivery Rates Addendum 1: *"Hydro-Québec uses 25% for their low load factor rate G9. Rate BR has a more complex design. New York is also implementing a demand transition rate for load factors below 25%."*

A load factor cutoff set too low and paired with a sudden rate transition would jeopardize the very incentive the OEB is trying to create in the first place. For small sites particularly, it is not unfathomable to get to 15% in relatively short order. Furthermore, a load factor cutoff set too

low could have the perverse effect of incentivizing charging operators to set power limits on sites, taking some station offline just before the cutoff is triggered, ultimately penalizing EV drivers and negatively affecting overall charging experience.

FLO is of the view that the load factor should be calculated using an annual average; to appropriately capture the seasonality of charging behaviours (our data shows EV drivers tend to charge at public DCFCs more often during the summer). An annual average would help minimize the administrative burden for LDCs.

Finally, we recommend providing a standardized process to calculate load factor to ensure transparency and predictability for stations operators.

Customer Attestation

FLO supports the OEB's proposal that customers opting into the EVC Rate must attest to their electricity distributor that they meet all the eligibility requirements. This will ensure that the attestation process remains simple and does not require an engineer's support – a step that would add unnecessary cost and complexity.

Load factors should be calculated by the utility rather than the customer to streamline the process.

Additionally, FLO supports allowing early Local Distribution Company (LDC) enrollment, similar to the option available with the Ultra-Low Overnight (ULO) Rate implementation, to facilitate a smoother transition. We also agree with the recommendation for implementation timeline be changed to "by January 1, 2026," rather than "as of January 1, 2026," to provide clearer guidance and ample preparation time for all stakeholders.

EVC Rate Design Options

FLO recommends implementing the rate design Option B (a stepped \$/kW rate) as we believe this would more effectively incentivize deployments in rural and remote Ontario.

FLO is of the view that each of the suggested options are preferable to the status quo.

As previously mentioned, FLO recommends increasing the load factor cutoff from 15% to 20%. We appreciate this may impact the discounted rate bands presented in the different rate design options.

Provincewide Parameter for Now

FLO supports the OEB's proposal to establish a general, provincewide EVC Rate parameter for implementation by 2026.

FLO believes this approach ensures predictability, standardization, and accessibility of charging infrastructure across Ontario. A provincewide parameter promotes consistency and simplifies the rate calculation for distributors, ensuring that customers can rely on a uniform rate structure. This predictability is essential for planning and investment in EV infrastructure.

EVC Rate to be Reviewed in Due Course

FLO recommends to not establish a sunset date for this EVC rate.

To be effective, the discounted rate must offer the stability and assurance for station over the horizon of the project. When modelling for a given deployment, network/station owners & operators will judge a given site as go/no go using a 10-year timeline, at a minimum. This reflects more or less the generally agreed upon notion that charging equipment's life expectancy is around 8-10 years.

We recommend allocating ample time to gather valuable data on impacts and offer a degree of predictability for rate participants. Consider reviewing the EVC rate in the fifth year of the rate.