

June 27, 2024

Via email to: registrar@oeb.ca

**ChargePoint Submission on Electric Vehicle Integration (EVI) Initiative (EB-2023-0071)
– Electricity Delivery Rates for Electric Vehicle (EV) Charging**

ChargePoint would like to thank the Ontario Energy Board (OEB) for the opportunity to participate in its consultation on the design of Electricity Delivery (EV) Rates for Electric Vehicle Charging (herein “EVC Rate”), and to provide comments through this submission.

Existing electricity rates for commercial customers were not designed with the EV charging use case in mind, and do not effectively capture the costs and benefits of EV charging to Ontario’s electricity system. The demand component of commercial general service rates can be a barrier to investment in EV charging when demand is emerging, and utilization is low – as is the case in many rural and remote areas. To address such barriers, utilities across North America have introduced EV charging specific rates. The OEB’s current proposal for the EVC Rate builds on these best practices. We support the OEB’s proposal for an EVC Rate and offer comments on specific design elements we believe will lead to the most impactful implementation.

Below we provide our comments on key rate design elements discussed in the OEB’s Stakeholder Presentation and Staff Discussion Paper. The recommendations provided below are based on ChargePoint’s 16+ years’ experience in the EV charging industry and our participation in similar rate design cases in North America.

1. EVC Rate design options

The OEB has proposed three rate design options for assigning EV charging customers a lower Retail Transmission Service Rates (RTSRs). Option A is a single \$/kW rate, Option B is a stepped rate, and Option C is a \$/kWh rate. While all three rate proposals will provide cost reductions to EV charging customers (i.e., owners and operators of EV charging stations) relative to the status quo, ChargePoint recommends Option C.

Option C includes discounted RTSRs that scale linearly with utilization. For an EV charging customer, this means the discount is highest when utilization is low. Such design provides more cost relief during lower periods of utilization (and thus lower



charging revenues) when the business case is more challenged. In addition, the rates design based on a \$/kWh charge may be the most straight forward for EV charging customers to understand and incorporate into business case analysis. Further, the proposed \$/kWh structure may lessen administrative burden for LDCs in calculating load factors compared to the stepped structure proposed in Option B. Lastly, Option C may provide particular benefit to charging station customers in rural and remote areas where there can be lower utilization.

2. EVC Rate applicability: Public only

The OEB proposes that the EVC Rate apply to public charging uses cases only; however, ChargePoint recommends that the EVC Rate also apply to fleets. Existing general service rates present similar constraints for fleets as they do for public charging and would benefit from the EVC Rate.

3. Voluntary opt-in nature of the proposed EVC Rate

ChargePoint supports the EVC Rate as opt-in for EV charging customers. We also do not anticipate many customers will opt in and out of the rate frequently.

4. Limiting EVC Rate to stations that serve all EV models

ChargePoint does not support limiting the EVC Rate to stations that serve all vehicles. We believe this may be out of scope relative to the other rate design parameters and would limit the overall impact and effectiveness of the EVC Rate.

At present, there is no one universal connector. Currently there are two primary DC and AC connector types serving vehicles on the road today: CCS1 and NACS (J3400) for DC and J1772 and NACS (J3400) for AC. Further, the existing charger fleet in Ontario tends to support either J1772 (AC)/CCS1 (DC) or NACS.

Imposing an eligibility requirement to serve all EV models would necessitate retrofits to existing stations or additional connectors/ports for new stations that may not have been budgeted. Such a requirement would add costs and could even discourage rate participation, running counter to the goals of the EVC Rate. Charging station customers should have the flexibility to choose the connector that best serves their use case and drivers.



5. EVC Rate cutoff at 15%

The OEB suggests a load factor cutoff of 15%. ChargePoint believe this cutoff is too low and will lead to a steep increase in a customer's RTST once they hit the 15% cutoff and return to the base RTSR. According to the illustrative table on slide 7 of the OEB's Presentation to Stakeholders, this would be a 4x jump in a customer's RTSR, which, in some cases could impact project dynamics.

ChargePoint recommends a load factor cutoff of 20-25%. This recommendation aligns with Power Advisory's guidance on page 23 of the EV Delivery Rates Addendum 1 report, which indicates that 25% is an appropriate cutoff, and notes that a higher threshold reduces the magnitude of bill increases once the cutoff is reached.¹ The report also notes that other jurisdictions like Quebec and New York use a 25% load factor cut off.²

6. Separate meter and auxiliary loads

ChargePoint support OEB's proposal to require a separate meter at the charging site as a condition of rate eligibility. We further support OEB's proposal to permit some auxiliary loads be included in the EVC Rate if they are associated with the site meter. However, ChargePoint recommends that the allowable auxiliary load limit be energy based rather than based on a specified set of auxiliary load use cases, as the latter may not capture the full breadth of auxiliary uses at a charging site. Therefore, we recommend adopting an auxiliary load limit of 10% as adopted by Eversource in Massachusetts (and referenced in the OEB Staff Discussion Paper on page 10).

7. Customers to attest to eligibility upon opting in

ChargePoint supports customer attestation for opting into the EVC Rate. This is common practice in several jurisdictions for specialized rates. We do not recommend requiring an engineer to provide or validate attestation for opt-in as this will add cost and complexity.

¹ Further on page 13 of Power Advisory's Report to the OEB, [EV Delivery Rates Addendum 1: Analysis and Rate Design](#), the authors' note that "There is a sudden transition from the alternative rate at a 15% load factor to the regular rate above a 15% load factor. This transition averages \$0.037/kWh across all LDCs but can be as much as \$0.056/kWh. Increasing the load factor threshold above 15% could mitigate this transition (Table 5) because at higher load factors there is a smaller gap between the low load factor and regular rates in \$/kWh terms."

² See page 23 of Power Advisory's Report to the OEB, [EV Delivery Rates Addendum 1: Analysis and Rate Design](#).



8. Implement rate in existing General Service rate class

ChargePoint supports OEB's proposal for participating charging station customers to remain within the General Service established by their LDCs, and that no new rate classes should be established. This will streamline implementation. We also recommend that the implementation timeline be changed to "by January 1, 2026," rather than "as of January 1, 2026," and allow earlier implementation for LDCs who are prepared to offer the EVC Rate prior to that date.

9. Provincewide parameter

ChargePoint supports OEB's recommendation to establish a provincewide EVC Rate parameter and recommends that this provincewide parameter remain consistent overtime rather than having parameters adjusted by LDCs in the future. This will create cost consistency and predictability across the province for charging station customers and will ensure that these customers will have access to discounted RTSRs no matter where their charging site is in the province.

10. Timelines for review

ChargePoint supports a review of the EVC Rate and suggests sufficient time be provided to collect meaningful data on rate impacts before such a review commences. We recommend that the rate be reviewed after 5 years. To provide EV charging customers price certainty and stability over a reasonable investment timeframe, we also recommend that the rate either be permanent, or at minimum, not be eliminated before 10 years has passed.

11. Frequency of load factor calculations

ChargePoint recommends that load factors be calculated and assigned by LDCs annually. Calculating load factors monthly will add administrative burden for LDCs and customers and will reduce cost certainty for charging customers. Furthermore, annual calculations and assignments would eliminate the need for LDCs to develop policies and procedures to deal with participating customers whose monthly load factors occasionally exceed the load factor cutoff. This approach would be consistent with National Grid's EV rate³ in Massachusetts.

³ As noted on page 3 of [Power Advisory's EV Delivery Rates Addendum 2: Implementation Considerations Customers](#), National Grid assigns customer "to a tier based on their previous 12 months' load factor, which the utility reviews annually; new customers are automatically assigned to the lowest tier."



We appreciate the opportunity to provide comment in this important consultation, and look forward to continued engagement on the EVC Rate.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzanne Goldberg". The signature is stylized with a large, looped "S" and a long horizontal stroke at the end.

Suzanne Goldberg
Senior Director, Public Policy – Global
ChargePoint Canada Inc.
Suzanne.Goldberg@ChargePoint.com