

Ms. Nancy Marconi
Registrar
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

January 31, 2025

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

Dear Ms. Marconi :

The Ontario Energy Board (OEB) issued a letter on January 7, 2025 that invited stakeholders to provide written comments on a revised proposal for an Electric Vehicle Charging Rate (EVC Rate), which is a component of the Electric Vehicle Initiative (EVI). The revised proposal incorporates feedback that the OEB received from stakeholders on the OEB's initial EVC Rate proposal, which was published for stakeholder comment in 2024.

The EVC Rate responds to direction from the Minister of Energy to the OEB to consider rate design options for Electric Vehicle (EV) charging. It aims to support the efficient integration of EVs in Ontario. Pollution Probe is a large coordinator of EV charging. Pollution Probe's CHARGED program is supporting the Government of Canada's commitment to having Zero Emission Vehicles (ZEVs) comprise 50% of new passenger vehicle sales by 2030, and 100% by 2035. Pollution Probe has received funding from ZEVIP as a delivery organization, empowering us to select eligible recipients and award funding to support new EV charging stations across Canada, including in Ontario.

Pollution Probe has commended the OEB for soliciting broad stakeholder input and also for coordinating integrated stakeholder discussions. Posting an updated proposal based on stakeholder feedback continues to follow an open and collaborative approach. Pollution Probe supports the Minister of Energy and Electrification (Ministry) and OEB efforts in support of efficient, customer-centric integration of Electric Vehicles (EVs) into the electricity system. As previously noted, 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 potential benefits can be lost. With proper modern detailed regulatory planning and execution, EVs, rate regulation and related infrastructure is an opportunity to reduce consumer costs, enhance grid/societal benefits while enabling the Energy Transition.

There is a large number of OEB initiatives/proceedings currently underway and several of these have the potential to impact (directly or indirectly) this EVI initiative. Success of EVI cannot occur in a silo without consideration of the broader policy and practical considerations. EVs are just one of many Distributed

Resource Resources (DERs)¹ in Ontario. Overall utility competencies related to EVs and related DERs is low, although some utilities are advancing their competencies and focus at a greater rate than the average. Specific to this initiative is the need to leverage EVC Rates to maximize benefits to Ontario consumers and the electricity system overall. Utilities have begun to include EVs in their utility modeling (as an input to their distribution system plan and demand modelling), but inclusion is limited and basic (i.e. only as a load without use of managed charging programs or rate incentives). However, even those that have considered EVs, essentially no utilities have considered EVC Rates in their modeling to manage demand (and related Capital investments). Regardless of the option selected, it will be important to enhance the competencies and use of the net benefits that come from the EVC Rate.

The EVC Rate reduces the Retail Transmission Service Rates (RTSRs) that participating EV charging stations pay. RTSRs are charges that electricity distributors apply to end-use customers to collect the wholesale transmission line connection, transformation and network charges that distributors owe to electricity transmitters. Pollution Probe provided comments on the earlier draft proposal that informed OEB consideration in this updated proposal. It appears that the revised proposal remains generally responsive and a few additional comments are noted below.

Section 3.6 indicates that the total DER nameplate capacity behind a participating EVC Rate meter may not exceed the total peak demand of the charging station that is participating in the EVC Rate. This is incremental to Section 3.2 which indicated that at least 90% of the charging station's total monthly peak demand must relate to EV charging. It appears that the Section 3.6 requirement supersedes the requirement in Section 3.2. It will be important to clarify the requirement in Section 3.6 to ensure proper understanding and avoid negative consequences that run counter to the Provincial and OEB objective to enhance DER capacity in Ontario. Clearly stating the reason for including additional restrictions will help stakeholders understand their purpose.

Section 13 indicates that in the future, as electricity distributors gain more experience with EV charging stations, they might wish to propose EVC Rates that are specifically tailored to their own service territories. Pollution Probe has encouraged utilities to consider implementation of programs that enhance DERs, including managed EV/rate programs. These are particularly valuable when they can eventually be expanded across other utilities once they have been verified as effective. There has been little progress on that front and reinforcing this message is important. There appears to be a barrier to utilities pursuing these innovative options. It will also be important for the OEB to ensure that programs are developed using best available information and practices. This will avoid launching a patch-work of different approaches when a common approach would be more effective. A regular review (perhaps every 2-3 years) by the OEB (in conjunction with the Ministry, plus relevant stakeholders) would help review all the related rate approaches that are developed and launched over time and assess opportunities to consolidating best practices and make appropriate adjustments.

Section 17 indicates that the OEB proposes to issue a generic accounting order to establish a deferral account relating to incremental and material EVC Rate implementation costs. It is unclear how this would apply to

¹ The National Standard Practice Manual (NSPM) for DERs is recognized as the leading source of definitions for DERs and other documents leverage similar definitions that include EVs - [NSPM-DERs 08-24-2020.pdf](#)

utilities that customize EVC Rate proposals per Section 13. The OEB may wish to consider that at this point to avoid potential future barriers.

A coordinated communication plan should be developed for use by the Province, OEB, utilities and relevant stakeholders. Pollution Probe would flag that it is never too early to consider the integrated communication plan that will be needed to successfully support this initiative. The OEB has been doing a good job of stakeholdering during development of the EVC Rate, but prior to the final version becoming available to customers (by 2026 based on proposed OEB documents) industry and consumer facing materials and information will need to be available. A common source of EVC Rate details would be the most efficient for stakeholders to refer to, including, purpose, availability, terms and contact information for inquiries. This could be included on the OEB's website as a central resource.

Given that utilities would phase this in starting in 2026 (depending on their rate term schedule and/or readiness to implement earlier), information would be required to indicate which utilities have actively launched the EVC Rate or where a custom EVC Rate has been implemented. Collateral (including materials for web links) for utilities and industry organisations to promote and inform prospective customers is also important.

Respectfully submitted on behalf of Pollution Probe.



Michael Brophy, P.Eng., M.Eng., MBA
Michael Brophy Consulting Inc.
Consultant to Pollution Probe
Phone: 647-330-1217
Email: Michael.brophy@rogers.com

Cc: Cedric Smith and Richard Carlson, Pollution Probe (via email)