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British Columbia Utilities Commission Suite 410, 900 Howe Street Vancouver, BC V6Z 2N3

Attention: Ms. Sara Hardgrave, Acting Commission Secretary

Dear Ms. Hardgrave:

Re: FortisBC Inc. Application for Approval of a Deferral Account for Electric Vehicle Workplace and Fleet Charging Funding (Application) Reply Argument of FortisBC Inc.

We write to provide the following reply submissions on behalf of FortisBC Inc. (FBC) in accordance with the regulatory timetable (G-261-22) set for the above referenced proceeding.

Four interveners, including the BC Sustainable Energy Association (BCSEA) and Vancouver Electric Vehicle Association (VEVA) (together BCSEA-VEVA), the Commercial Energy Consumers Association of British Columbia (CEC), Donald Flintoff and Gary Guthrie, submitted written final arguments in this proceeding.

BCSEA-VEVA, CEC and Guthrie support the approvals sought by FBC in the Application, recognizing the barriers addressed by the proposed Electric Vehicle (EV) Fleet Charging Funding Program (Program).¹

While Mr. Flintoff expresses some preferences for the Program, he recognizes that it is a prescribed undertaking under the *Greenhouse Gas Reduction (Clean Energy) Regulation* (GGRR) and that his preferences are not required by the GGRR.²

While Mr. Guthrie commends FBC for proposing the Program, he identifies two recommendations which FBC addresses below.

First, Mr. Guthrie recommends that FBC be directed by the BCUC to amend the Program and its evidence to reflect a commencement date of 2023 (as opposed to 2022), which Mr. Guthrie states

¹ BCSEA-VEVA Final Argument, para. 50; CEC Final Argument, para. 147; Guthrie Final Argument, p. 3.

² Flintoff Final Argument, p. 3.

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could be a model for future programs.³ FBC respectfully submits that the Program is a prescribed undertaking and that updating the evidence to reflect a later start date would be contrary to the GGRR and serve no practical purpose. In accordance with the requirements of the GGRR, FBC structured the Program and its evidence based on the time it decided to carry out the Program.⁴ Further, as set out in FBC's Final Argument, the Program is cost-effective pursuant to section 4(4) of the GGRR, meaning that the costs directly related to the Program will be offset by the additional tariff revenue received from the Program participants. Therefore, updating the forecasts for the program as Mr. Guthrie suggests would not change the decision to be made by the BCUC and would only serve to delay the regulatory process for no benefit. Further, FBC will be reporting on the program (as noted below), through which the BCUC will receive updated information on the Program's actual implementation. Therefore, FBC submits that the BCUC should deny Mr. Guthrie's request to update the forecasts for the program.

Second, Mr. Guthrie also recommends that FBC be directed by the BCUC to conduct a 10-year study tracking the number of EV additions that directly result from the EV charging stations funded through the Program.⁵ In reply, FBC has described its reporting requirements in Section 2.4 of the Application, which include regular reporting to the Minister of Energy, Mines and Low Carbon Innovation and annual reporting to the BCUC as part of its annual review proceeding.⁶ FBC submits that this reporting is sufficient and will ensure valuable information about the Program is gathered. FBC also observes that some of the information raised by Mr. Guthrie to form part of the proposed study would need to be gathered from third-party fleet operators (e.g., (a) and (b)), which may not be possible in practice. Further, FBC has not incorporated the associated costs of undertaking the separate 10-year study as recommended by Mr. Guthrie in the Program costs and, in FBC's view, they are not warranted.

In summary, FBC respectfully submits that the Program is a prescribed undertaking under section 18 of the CEA and section 4 of the GGRR and that the BCUC should approve the EV Fleet and Workplace Charging Funding Account pursuant to section 59 to 60 of the *Utilities Commission Act* to allow for the recovery of FBC's costs of the Program as proposed in the Application.

³ Guthrie Final Argument, p. 2.

⁴ Section 4(4) of the GGRR states: "An undertaking is within a class of undertakings defined in paragraph (a) or (b) of subsection (3) only if, <u>at the time the public utility decides to carry out the undertaking</u>, the public utility reasonably expects the undertaking to be cost- effective." [Emphasis added].

⁵ Guthrie Final Argument, p. 3.

⁶ Exhibit B-1, Application, p. 9.

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Yours truly,

FASKEN MARTINEAU DUMOULIN LLP

[Original signed by Niall Rand]

Niall Rand

Enclosure cc (email only): Registered Interveners

