

- 1 **Q. (2021 Electrification, Conservation and Demand Management Application) Please**
2 **explain the following:**
3 **(a) Are/will Hydro and Newfoundland Power be in competition to provide charging**
4 **station services in the Province?**
5 **(b) Will Hydro and NP be in competition with private sector entities providing**
6 **vehicle charging services?**
7 **(c) Is it appropriate under Provincial Law that Newfoundland Power enter into a**
8 **“for profit” business such as vehicle charging and collect the costs of the business**
9 **from ratepayers? Should vehicle charging, if approved by the Board, be hived**
10 **off as a separate unregulated subsidiary of NP?**
11 **(d) Would it be prudent for Hydro and NP to make application to the Board to deal**
12 **with this charging station issue before expenditures are incurred?**
13
14 **A. (a) No, Newfoundland Power and Newfoundland and Labrador Hydro (the “Utilities”)**
15 **are coordinating in the provision of electric vehicle (“EV”) charging services in the**
16 **province. The Utilities are coordinating in the construction of fast charging**
17 **infrastructure¹ and the rates to be charged for use of that infrastructure.²**
18
19 **(b) The Utilities *Electrification, Conservation and Demand Management Plan: 2021-***
20 ***2025* (the “2021 Plan”) includes a make-ready investment model to encourage private**
21 **sector investment in EV charging infrastructure. The make-ready model includes the**
22 **installation of electrical infrastructure to enable other private sector entities to**
23 **purchase and install fast chargers.³**
24
25 **(c) Yes, it is appropriate for Newfoundland Power to invest in EV charging**
26 **infrastructure. See response to Request for Information PUB-NP-002.**
27
28 **No, EV charging, if approved by the Board, should not be hived off as a separate,**
29 **unregulated subsidiary of Newfoundland Power. The proposed investments in EV**
30 **charging infrastructure are justified based on the rate mitigating benefits that would**
31 **be provided to the Company’s customers. These investments are consistent with the**
32 **least-cost delivery of reliable service and are appropriate for a regulated utility such**
33 **as Newfoundland Power. Additionally, if approved, the Board would have oversight**
34 **of the costs and revenues from Newfoundland Power’s EV charging infrastructure.**

¹ The location of all charging infrastructure owned by both utilities is considered in selecting sites for future EV charging stations.

² Newfoundland Power plans to charge a rate of \$15.00/hour for fast charging services. This is consistent with the rate charged by Newfoundland and Labrador Hydro. See response to Request for Information CA-NP-014.

³ The costs to get a site ready for charger installation are typically a large percentage of the capital required for an installation, at approximately 30% to 40%. This model lowers upfront capital costs which, in turn, improves the business case for private customers when installing, owning and operating EV charging stations. See the *2021 Electrification, Conservation and Demand Management Application*, Volume 2, 2021 Plan, pages 14 to 15.

1 (d) Any issues with respect to Newfoundland Power’s proposed EV charging network
2 can be reasonably addressed as part of this proceeding.
3

4 In accordance with Section 41 of the *Public Utilities Act*, Newfoundland Power will
5 not incur capital expenditures related to the proposed EV charging network without
6 prior Board approval.⁴

⁴ Section 41 of the *Public Utilities Act* requires that a public utility shall not proceed with the construction, purchase or lease of improvements or additions to its property where the cost of construction or purchase is in excess of \$50,000