

## **Maritime Electric Co. Ltd. (MECL) Submission – UE 20732 – June 30 2020**

### **Supplemental Capital Budget Request. A New Category: Electric Vehicle (EV) Chargers**

#### **Comments to IRAC**

##### **Introduction: The Unique PEI Energy Environment:**

As the smallest Canadian province that is also an island, we collectively have a broad range of unique advantages and disadvantages. In comparing our electricity utilities to the rest of the Canada we have some similarities – a for-profit company serving about 90% of our electricity distribution needs and a Municipality owned Utility delivering the other 10%. However comparison of our Government energy Utility – the PEI Energy Corporation - within Canada or even within our local Maritime group of four provinces shows that we have a singularly unique entity. With a mandate to *“develop and promote the development of energy systems and the generation, production, transmission and distribution of energy in all its forms on an economic and efficient basis, to provide financial assistance for the development, installation and use of energy systems, and to coordinate all government programs in the establishment and application of energy systems in the province”*, establishing an EV infrastructure would seem to fit within this mandate.

##### **Background: The PEI Government’s Energy Strategy – Electric Vehicles (Ref Pages 50 to 54)**

One recent activity of the PEI Energy Corporation was establishing the PEI Government’s Energy Strategy published in 2017. Within the PEI energy framework this strategy addresses the future role of electric vehicles and the required support infrastructure. Action Items already committed by the PEI Government (page 54) are to:

- Develop an appropriate incentive for buying electric vehicles.
- Leverage federal funding investments to increase public charging infrastructure.
- Consider mandating EV charger pre-wiring in new homes.
- Examine the feasibility of requiring or encouraging chargers at outdoor parking in new residential developments.
- Lead by example by purchasing electric vehicles for government operations.
- Reach out to car rental and taxi companies to introduce electric vehicles as part of a green tourism strategy.
- Consider the introduction of electric school buses.
- Reach out to businesses to facilitate the adoption of electric delivery trucks.

##### **Critique of the MECL Submission:**

- The PEI Energy Corporation (PEIEC) – has already deployed eighteen (18) charging stations across PEI with federal funding support; why is MECL proposing to take a project lead role here as opposed to a technical support role?

- The PEIEC as a Utility has the regulatory advantage of charging customers for energy or for customer connection or both. MECL's regulatory advantage for charging customers for energy is redundant.
- The proposal to add dual Level 2 chargers at each location is questionable. Level 2 chargers are best used at individual homes or as multiple outlets for long stay destination, parking or workplace sites. Individual placement of Level 2 chargers is more of an EV marketing advantage or convenience for individual employees.
- The recent Parks Canada installment of eighteen (18) Level 2 charging stations in clusters of six (6) chargers at each of three (3) PEI park locations is a good example of Level 2 deployment especially when the chargers are donated (Tesla) and Parks Canada has direct access to federal funding for the installation.
- There is no commercial business case presented by MECL. Hitherto MECL has always required a positive business/financial case for any new project, e.g. not yet invoking "Time-of-Day/Time-of-Wind" tariffs or stalling the deployment of intelligent metering systems.
- Is there not a conflict of interest for MECL to be involved in growing an EV market in PEI? The MECL focus should be on the energy supply and distribution changes that the EV market brings.
- As the proposed owner of the twenty-six (26) charging stations, MECL will be collecting all the user data. Shouldn't this data be open and available to complement the Government's licensing data of EVs?
- The capital budget request includes estimates of future EV adoption. Noting that EV ownership in PEI for 2012 was around forty (40) and in 2020 is stated to be around one hundred (100) are the forecasts as presented valid?
- Would the PEIEC's proposed token investment (12.5% - \$70,000) be better applied to encouraging home owners to install EV charger wiring, especially for new homes, as per the PEI Energy Strategy?

**A Proposed Context for the Commission's Consideration:**

- The Commission is currently considering a 2021 Capital Budget application from MECL that in addition to the standard capital equipment expenditure items includes a four-year, \$8,912,000 expenditure for the PEI Broadband Project. Is MECL ownership of EV Charging stations across PEI justified and appropriate? Should MECL's capital base expansion and deviation from the core business and competency be approved?

**Recommendations for the Commission's Consideration:**

- Deny the application. The PEIEC has already deployed networked level 2 and 3 EV chargers
- Perhaps advise that if indeed the extended infrastructure project is justifiable, then the project lead and ownership roles should be assumed by the PEIEC.