

1 Q. **Reference: Schedule 2, Executive Summary, page i)**

2 It is stated “This first phase of the network consists of 14 sites from St. John’s to Port Aux
3 Basques, including one site in Gros Morne National Park.”

4 a) Now that Hydro has constructed a “base” of charging station infrastructure across the
5 Island, how do customers benefit from the second phase relative to turning the charging
6 station infrastructure program over to the private sector with incentives provided as
7 necessary to promote participation?

8 b) Why not let the private sector take the risk and invest in the next phase of charging stations
9 as the number of EVs rise?

10 c) Please quantify the costs, benefits and risks associated with Hydro and Newfoundland
11 Power construction of charging station infrastructure relative to the private sector with the
12 appropriate incentives.

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15 A. As noted in Newfoundland and Labrador Hydro’s (“Hydro”) application,¹ the current business
16 case for private investment in direct current fast chargers (“DCFC”) is weak.² This is due to the
17 large capital investment required to install DCFC charging infrastructure relative to the low
18 number of electric vehicles (“EV”) in the province. Given this circumstance, it is expected that
19 third-party investment in this infrastructure would not result in a positive business case, at least
20 in the near-term. Hydro expects third-party ownership will become more feasible as EV uptake
21 increases in the province.

¹ “Application for Approvals Required to Execute Programming Identified in the Electrification, Conservation and Demand Management Plan 2021–2025,” Newfoundland and Labrador Hydro, rev. 1, July 8, 2021 (originally filed June 16, 2021), sch. 3.

² An example being Electrify Canada’s recent announcement of the expansion of its DCFC network to every province in Canada except Newfoundland and Labrador. “Electrify Canada will expand its network to nine provinces, adding stations in Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Prince Edward Island, providing the ability for most electric vehicles to travel from Halifax, Nova Scotia in the east, along an Electrify Canada route to Victoria, British Columbia in the west. The company will also bolster its network in the four provinces it currently offers service increasing the number of stations in British Columbia, Alberta, Ontario and Quebec.” Source: “Electrify America Announces its “Boost Plan” to More than Double its Current EV Charging Network by End of 2025,” electrify Canada <<https://media.electrify-canada.ca/en-ca/releases/27>>.

1 Given the large rate mitigation potential afforded by an investment in DCFC infrastructure,³ and
2 acknowledging the weak business case for private investment, Hydro believes a utility-led
3 charging network is in the best interest of all ratepayers, and consistent with Hydro’s statutory
4 obligation to provide service at the lowest possible cost, consistent with reliable service.

5 Hydro currently has 14 DCFCs installed from St. John’s to Port aux Basques, including one site in
6 Gros Morne National Park. As noted by Dunsky Energy Consulting, there is potential to achieve
7 647 GWh of EV load by 2034 with an additional \$20 million in investment in DCFC infrastructure;
8 this level of investment would correlate to approximately 200 more DCFCs being installed on the
9 Island Interconnected System. Even after expansion of the public charging network by Hydro
10 and Newfoundland Power Inc., there remains ample opportunity for private sector investments
11 in EV charging.

³ Increased DCFC infrastructure will promote increased EV adoption.