

1 Q. **Reference: Reference Application**

2 Did Hydro consider undertaking the installation of the proposed EV charging network in  
3 partnership with private sector businesses, such as highway gas stations and other businesses  
4 providing services to travelers?

5 a) If yes, please provide all analyses and reports that have been prepared by independent  
6 consultants or Hydro staff exploring this option.

7 b) If no, please explain why the option was not considered.

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10 A. a) Yes, Newfoundland and Labrador Hydro (“Hydro”) has partnered with private sector  
11 businesses in the construction of its first 14 public direct current fast charging (“DCFC”)  
12 stations and plans to continue this approach in any future expansion of the network. The  
13 Electrification, Conservation and Demand Management Plan 2021–2025 also contains  
14 information on the strategy to support increased involvement by private sector entities in  
15 fast charger installations in future years under the make-ready model.

16 **Hydro-Owned Chargers**

17 Hydro secured sites for the first 14 DCFC stations in the province in 2020, generally located  
18 at businesses and popular rest stops along the Trans-Canada Highway. Each charging site is  
19 located at a private business for which Hydro holds a ten-year lease at no cost to Hydro. The  
20 lessor is responsible for maintenance of the site including snow clearing and general site  
21 maintenance (e.g., grass cutting, garbage removal, line painting, etc.). This approach  
22 benefits electric vehicle (“EV”) travelers, as chargers are located at businesses with  
23 amenities that can be accessed while charging, and benefits ratepayers through avoiding

1 lease and site maintenance costs.<sup>1</sup> Hydro expects to follow this same approach for phase 2  
2 of the fast charging network expansion.

3 **The Make-Ready Model**

4 The Conservation Potential Study conducted by Dunsky Energy Consulting states: “The  
5 current lack of a solid business case for DCFC charging stations for third-party market actors  
6 suggests that DCFC deployment in the province will be limited in the absence of utility or  
7 government intervention.”<sup>2</sup>

8 Due to the low penetration of EVs in the province at the moment, there is a high level of  
9 uncertainty for private sector businesses as to whether, or when, there would be a positive  
10 business case for contributing any funds towards fast charger installations.

11 As such, the plan includes the make-ready model to encourage private investment in public  
12 EV charging infrastructure. The make-ready model includes the installation of electrical  
13 infrastructure to enable customers to purchase and install direct current fast chargers. The  
14 costs to ready a site for charger installation are typically a large percentage of the capital  
15 required for an installation, at approximately 30% to 40%. This model lowers upfront capital  
16 costs which, in turn, improves the business case for commercial customers when installing,  
17 owning and operating EV charging stations.

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<sup>1</sup> Equipment maintenance and electricity costs are the responsibility of Hydro.

<sup>2</sup> “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, sch. C, p. 145 of 325.