

- 1 **Q. (a) How does Newfoundland Power justify charging all ratepayers for the expense**
2 **pertaining to the construction and maintenance of electric charger stations?**
3 **(c) [sic] Why should all ratepayers subsidize someone’s electric vehicle?**
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5 A. *This Request for Information relates to the Electrification, Conservation and Demand*
6 *Management Plan: 2021-2025 (the “2021 Plan”) developed in partnership by*
7 *Newfoundland Power Inc. (“Newfoundland Power”) and Newfoundland and Labrador*
8 *Hydro (“Hydro”) (collectively, the “Utilities”) and the related Technical Conference*
9 *presented by the Utilities on February 1, 2022. Accordingly, the response reflects*
10 *collaboration between the Utilities.*
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- 12 (a) Newfoundland Power justifies ratepayer recovery of costs associated with the Electric
13 Vehicle (“EV”) Charging Network based on the rate mitigating benefit to its
14 customers. The EV Charging Network is part of a diversified portfolio of
15 electrification programs that also includes rebate programs, customer education and
16 research (the “Customer Electrification Portfolio”). The Customer Electrification
17 Portfolio will provide a rate mitigating benefit to Newfoundland Power’s customers
18 over the longer term.
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20 The rate mitigating benefit of the Customer Electrification Portfolio will be shared by
21 all Newfoundland Power customers and is consistent with the delivery of least-cost,
22 reliable service to customers. Ratepayer recovery of costs associated with
23 implementing the Customer Electrification Portfolio, including the EV Charging
24 Network, is therefore justified. This is consistent with the Board’s findings in Order
25 No. P.U. 30 (2021).
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27 For more information, see response to Request for Information TC-CA-NP-043.
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- 29 (b) The Customer Electrification Portfolio is designed to address specific barriers to
30 customers’ adoption of EVs. Customer research determined that the upfront cost of
31 purchasing an EV is a primary barrier to EV adoption in Newfoundland and
32 Labrador.¹ Rebate programs are aimed at addressing this barrier by offsetting a
33 portion of the upfront cost of purchasing an EV and the associated charger.
34

35 The EV and EV charger rebate programs are essential to achieving the rate mitigating
36 benefit of the Customer Electrification Portfolio, which will benefit all Newfoundland
37 Power customers, as discussed in part (a). As such, ratepayer recovery of rebate
38 program costs is justified.

¹ See Attachment A of response to Request for Information TC-PUB-NP-002.

1 Customer rebate programs have been a common feature of the Utilities' conservation
2 and demand management plans since 2009. Rebate programs for the purchase of
3 household insulation, thermostats, light bulbs and other technologies incent customers
4 to adopt technologies that reduce overall costs to customers. In these instances, all
5 ratepayers "subsidize" adoption of the technology, and all ratepayers receive the
6 system benefits. This corresponds to the approach in respect of the EV and EV
7 charger rebate programs.