Q. Reference slide 12

It is indicated that Hydro expects to stop investment in EV charging stations in 2025.

(a) Is this because Hydro expects that the number of EVs will be sufficient for private business and other entities to undertake such investments thereafter?

(b) Is there any other reason for Hydro to stop such investment in 2025?

A. *This Request for Information relates to the Electrification, Conservation and Demand Management Plan 2021–2025 ("2021 Plan") developed in partnership by Newfoundland and Labrador Hydro ("Hydro") and Newfoundland Power Inc. ("Newfoundland Power") (collectively, the "Utilities") and the related Technical Conference presented by the Utilities on February 1, 2022. Accordingly, the response reflects collaboration between the Utilities.*

(a) The objective of the Utilities' Electric Vehicle ("EV") Charging Network is to establish the minimum geographic coverage necessary to permit EVs to travel throughout the island of Newfoundland. It is expected that the capital expenditures planned from 2021–2025 will achieve this minimum geographic coverage.[1] This will ensure reasonable access to public fast charging in the province, thereby addressing a primary barrier to customers' adoption of EVs.

The need for utility investment in EV charging infrastructure reflects the weak business case for private sector investment in the province. The weak business case for private sector investment is the result of both the limited number of EVs in the province and the upfront cost of installing EV charging infrastructure. The Utilities' EV Charging Network and planned customer electrification programs will increase EV adoption in the province. This is expected

[1] The installation of charging stations is expected to be minimal following 2022. Hydro has no new locations planned beyond 2025; however, additional infrastructure may be required depending on customer uptake, usage, and the amount of private investment (particularly in rural areas).

to improve the business case for private sector investment in EV charging infrastructure over time.[2]

The Utilities' electrification initiatives will be evaluated on an annual basis to ensure the initiatives remain beneficial for customers. This evaluation will consider changing market conditions surrounding electrification, including any private sector investment. Any required changes to the Utilities' planned investments in the EV Charging Network, including changes to the amount or timing of planned investments, will be based on those future assessments. This approach is consistent with Board Order No. P.U. 30(2021), where the Board states:

> "The circumstances surrounding electrification programming are rapidly changing and this may require different approaches in the future with respect to EV charging station capital expenditures. In future years the utilities will have to demonstrate that further capital expenditures for additional EV charging stations are justified in the circumstances."[3]

(b) See response to part (a).

[2] Further, the Utilities' proposed make-ready model will reduce the upfront cost of EV charging infrastructure for private entities. See "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, pp. 14–15.

[3] *Public Utilities Act*, RSNL 1990, c P-47, Reasons for Decision – Board Order No. P.U. 30(2021), Board of Commissioners of Public Utilities, October 18, 2021, p. 13.