RE: As Requested: bullets on EV charging

From: May, Cheryl OHCS:EX <Cheryl.May@gov.bc.ca>

To: Page, Doug OHCS:EX
Cc: Thomson, John OHCS:EX

Sent: January 15, 2021 3:45:25 PM PST

Thanks Doug – much appreciated. A few questions here and in your email below. If it's easier to talk through I'm available until 5.

Basic questions:

Remind me – is a ¾ vote ¾ of people that show up for the meeting or actually ¾ of the people?

What is happening in Canada/BC re use of electric cars – has there been any commitment to end sales of ICE vehicles at a certain point in time or anything like that? This will just help set the policy context. I kind of think Canada has set a target of no ICE vehicles for sale by 2040. Has BC done this as well –in the Act mentioned below? s.13 s.13

Thanks, Cheryl

From: Page, Doug OHCS:EX Sent: January 15, 2021 12:09 PM

To: May, Cheryl OHCS:EX

Cc: Ramsay, Launa P OHCS:EX; Thomson, John OHCS:EX

Subject: As Requested: bullets on EV charging

Hi Cheryl,

In response to your request for more background on EV charging in stratas for your next meeting with the Minister, please see below. It is admittedly long (probably better suited to a BN) but responds to the questions you and he had and gives a sense of some of the reasons it's not straightforward.

If you'd like us to provide an up-leveled version, e.g., something to report out to MDE on, let me know. Alternatively, setting up a full briefing on this would also be useful.

Doug

Context:

• Mandate letter and the "Right to Charge":

- The MAG mandate letter states that Government will introduce legislation to give strata residents a "Right to Charge" (RTC) electric vehicles at home. RTC is a colloquial term, but is generally understood to mean that an individual can install an electric vehicle charger for their own use provided that certain conditions are met (e.g., health/safety requirements, permits, signed agreement, etc.). The strata corporation could only refuse a request if a prescribed exception applied.
- Generally, under this model the individual seeking a charger is responsible for the costs associated with installation and maintenance of the charger. s.13
 - s.13 You say this here, but a lot of the issues below seem to reference expenditures required of the strata corp. I'm having a hard time reconciling.

Considerations:

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- There are also technical, practical and equity issues for strata corporations to consider (e.g., see item 3 in solicitor's advice below).
- Such issues sometimes lead stratas to procrastinate on responding to requests or to fail to get the necessary votes to approve. EV chargers are still being installed in some existing BC stratas, but there is no guarantee that a charger can be installed and the process can be difficult to navigate.

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- Recent enhancements to BC's grant program have made the grants more generous and available to cover not just chargers, but engineering studies and necessary building electrical infrastructure upgrades. Who runs this program?
- While not a BC Building Code requirement, 17 local governments (primarily in the lower mainland and CRD)
 already require EV chargers in *new* multi-unit residential buildings. Interesting this raises the spectre of this
 being not just a SPA initiative.

• Other jurisdictions:

- o Different models of RTC legislation have been introduced in a handful of other North American jurisdictions such as Ontario, Hawaii and California.
- MDE recently met with representatives from ChargePoint (an electric vehicle infrastructure company) and asked if there have been any constitutional challenges regarding the RTC. HPB staff are not currently aware of any such challenges in other jurisdictions to date.

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Consultation plans:

- A general consultation on electric vehicle chargers (not just RTC) took place in fall 2019. s.12; s.13; s.14
 s.12; s.13; s.14
- There are no immediate plans to further consult on the RTC; the upcoming strata consultations relate to strata insurance regulations (not the RTC). Ah, thanks for clarifying.

Possible next steps:

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RE: Right to charge

From: May, Cheryl OHCS:EX <Cheryl.May@gov.bc.ca>
To: Page, Doug OHCS:EX, Thomson, John OHCS:EX

Cc: Ramsay, Launa P OHCS:EX, Preece, Spencer OHCS:EX

Sent: January 18, 2021 12:42:24 PM PST

I'm thinking about a briefing – so you could prepare and IBN or a deck. I don't think we have a decision yet. More history and lay of the land.

Thanks,

Cheryl

From: Page Daug OHCC:EV Daug Page@gay be see

From: Page, Doug OHCS:EX <Doug.Page@gov.bc.ca>

Sent: January 18, 2021 12:11 PM

To: May, Cheryl OHCS:EX <Cheryl.May@gov.bc.ca>; Thomson, John OHCS:EX <John.Thomson@gov.bc.ca>

Cc: Ramsay, Launa P OHCS:EX <Launa.Ramsay@gov.bc.ca>; Preece, Spencer OHCS:EX

<Spencer.Preece@gov.bc.ca> Subject: RE: Right to charge

Cheryl, do you see it as a decision note, or just for info at this point?

Doug

From: May, Cheryl OHCS:EX < Cheryl. May@gov.bc.ca < mailto: Cheryl. May@gov.bc.ca >>

Sent: January 17, 2021 7:35 PM

To: Thomson, John OHCS:EX <John.Thomson@gov.bc.ca<mailto:John.Thomson@gov.bc.ca>>

Cc: Page, Doug OHCS:EX <Doug.Page@gov.bc.ca<mailto:Doug.Page@gov.bc.ca>>; Ramsay, Launa P OHCS:EX

<Launa.Ramsay@gov.bc.ca<mailto:Launa.Ramsay@gov.bc.ca>>

Subject: Right to charge

John and Doug – can you please prepare a briefing for MDE on this topic please – just to ensure he understands the lay of the land and gets a flavour for the complexity. Materials of your choosing (not or deck is fine) If you can have them to me in 2 weeks we will aim to set up a briefing in 3.

Thanks,

Cheryl

Cheryl May

Acting Associate Deputy Minister

Housing, Construction Standards, and Multiculturalism

Ministry of Attorney General and Minister Responsible for Housing

(250) 812-3345

Date Prepared: January 28, 2021

MINISTRY OF ATTORNEY GENERAL OFFICE OF HOUSING AND CONSTRUCTION STANDARDS INFORMATION BRIEFING NOTE

PURPOSE: For INFORMATION for David Eby, QC

Attorney General and

Minister Responsible for Housing

ISSUE:

Understanding the challenges in supporting widespread adoption of electric vehicle charging in existing strata housing and other multi-unit residential buildings.

SUMMARY:

- The November 26, 2020 mandate letters directed Ministers to fight climate change and support the CleanBC climate action plan.
- The Minister's mandate letter further asked the Minister to: "bring in "right-to-charge" legislation that will enable installation of electric vehicle charging infrastructure in more strata and apartment buildings."
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BACKGROUND:

- Demand for EV charging stations is clearly growing as sales of zero-emission vehicles continue to grow in British Columbia. Some individual strata owners and residents are frustrated with their strata corporations not adopting EV charging more quickly.
- Parking is often common property and repair, maintenance and improvements of parking areas are typically a shared expense.
- Strata owners are particularly sensitive to added costs at present as annual strata corporation insurance costs have risen sharply. This has meant higher monthly strata fees for many owners, sometimes by hundreds of dollars.
- More background is included in Attachment 1 including strata legislation, initiatives supporting EV charging, Ontario's 2018 EV charging legislation for condominiums and links to relevant pages on the Province's strata housing website.

DISCUSSION:

Like other jurisdictions, the Province has some challenges in getting existing strata corporations to install EV charging to meet emerging market demand. However newer strata corporations may already have EV charging. Fifteen local governments in British Columbia require EV charging in new multi-unit residential buildings (including Vancouver, Surrey and Victoria).

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Cost

 Sometimes the cost for installing EV charging is allocated to all the strata owners, when parking is a common property expense.

- In 2016, the Province changed strata legislation to more easily allow strata corporations to charge individuals user fees for EV charging use and maintenance (e.g. monthly electricity bills) instead of costs being borne by all the owners.
- Costs for a strata corporation could be slight for one or two early adopters (and early
 adopters may be able to pay all the costs) but could increase significantly if major
 building upgrades were required to accommodate more EV charging. Many owners
 may feel there are more pressing uses for the funds available.
- A few jurisdictions require strata corporations to agree to individual requests from owners to install a charger if certain conditions are met, including that the owner pays for all related costs. This is often referred to as a "right to charge".
- Provincial grants that cover a significant portion of the cost of EV charging
 engineering reports, infrastructure upgrades, and chargers are available through the
 Ministry of Energy, Mines and Low Carbon Innovation. However, funding is
 uncertain from year to year and application timelines are short, which can be
 challenging for strata corporations to meet with elected volunteer strata councils and
 the necessary approval by strata owners at a general meeting.

Strata Corporation Approval

- Currently many strata decisions require a vote of approval by owners. Some require
 three-quarter votes such as changing common property, or passing an EV charging
 strata bylaw to govern installation, access, user fees and maintenance. Other
 decisions require majority votes, e.g., approving the annual budget and depreciation
 report expenses.
- Some strata corporations have complex ownership structures with residential and commercial sections and airspace parcels, which can make approving changes and allocating costs more difficult as separate approvals may be required.
- Even if an owner is willing to pay all of the costs, agreements may be needed between the owner and strata corporation, in addition to a bylaw, to address permits, selection of the contractor and the type of EV charging, the costs of maintenance and electricity, insurance, removal, etc.
- Owners without electric vehicles may be unwilling to vote to accommodate a few early adopters, especially if costs or relinquishing parking are involved.
- EV charging is a relatively new and complex issue and strata councils and strata owners may be reluctant to take the time to understand and approve. Attachment 1 lists educational EV charging resources for strata corporations.

Strata Corporation Physical Layout

 Stratas may have existing building and parking constraints that present barriers to installing, financing and operating EV charging systems and infrastructure.
 For example, unless networked smart chargers (which monitor and ration electricity usage) are used, some strata buildings may not have sufficient electrical capacity to

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support many residents with EVs. Adding EV charging stations could require common property upgrades, new wiring and the reallocation of parking stalls.

- Strata parking stall arrangements vary widely: common property, limited common property, part of a strata lot, or leased from the developer. This impacts whether it is possible to move someone's stall to a place where it is inexpensive to install EV charging, who is responsible for what costs, and what approvals are needed.
- Some stratas have installed EV charging stations in their visitor parking stalls so that all owners can access it, but this can create conflicts over time or use, moving cars, etc.

Technical Considerations

 Technical considerations include the capacity of the electrical grid, upgrading electrical rooms/panels, and spreading the demand for electricity. Evolving EV charging technology (e.g., networked smart chargers) and energy management software can overcome many of these challenges, e.g., sharing available capacity among those plugged in, delaying charging to non-peak times, texting owners when they need to move their car.

Possible Provincial Actions to Speed Adoption of EV Charging

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INDIGENOUS PEOPLES CONSIDERATIONS:

There has not yet been consultation with First Nations and Indigenous People on implications, if any.

GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:

It is important to consider affordability as strata owners, on average, have lower household incomes than single-family homeowners. Many strata owners are seniors on fixed incomes, first time home buyers or immigrants.

Strata corporations must also consider allocating parking to strata owners, residents and visitors with disabilities.

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s.13 Any short-term policy on EV charging in stratas could primarily benefit these "early adopters". As EV adoption becomes more mainstream, "later adopters" will likely be more diverse and will more likely be impacted by medium and long-term policy.

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OTHER MINISTRIES IMPACTED/CONSULTED:

- Ministry of Environment, Climate Action Secretariat: ongoing consultation.
- Ministry of Energy, Mines and Low Carbon Innovation: ongoing consultation.

Prepared by:

Veronica Barlee Senior Policy Advisor Housing Policy Branch 778 679-9655

Approved by:

Cheryl May A/Associate Deputy Minister Housing, Construction Standards, and Multiculturalism 250 812-3345

Attachments (1)

- Background
 - a) Legislative Framework for Strata Properties in B.C.
 - b) Resources and Initiatives to Support EV Charging
 - c) EV Charging in Other Jurisdictions and Ontario
 - d) Links to Relevant Pages on the Province's Strata Housing Website

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Attachment 1: Background

a. Legislative Framework for Strata Properties in B.C.

The Strata Property Act ("the Act"), regulations, and strata corporation <u>bylaws and rules</u> provide the legal framework that governs all 32,000 strata corporations and owners in British Columbia ("B.C.").

Strata corporations must also comply with other federal, provincial and local government legislation. Fifteen B.C. local governments require new multi-unit residential buildings to have infrastructure for electric vehicle charging. However, this has not applied to retrofitting current housing stock.

The *Act* does not currently require strata corporations to approve, accommodate, or facilitate the installation or use of EV charging systems or infrastructure.

In addition, the *Act* and regulations contain provisions that may prevent owners or corporations from installing or accessing EV charging (e.g., the *Act* can require a three-quarter vote of owners to make a significant change in the use or appearance of common property, to pay costs associated with installation or infrastructure, or to reassign parking spaces).

The need to adopt, repeal or amend strata bylaws or rules may also present additional barriers to EV use on strata property.

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2016 "User Fee" Strata Amendment

In 2016, Municipal Affairs and Housing amended the *Strata Property Regulation* ("the Regulation") to give strata corporations the ability to charge users fees related to EV electricity use and maintenance.

This change was intended to address the lack of clarity regarding how to finance the installation, electricity and maintenance costs for EV chargers. While this amendment gave strata corporations the ability to charge EV owners user fees for costs associated with electric vehicle charging, barriers remain.

b. Resources and Initiatives to Support EV Charging

There are many provincial, federal and local government initiatives to support EV charging. And some resources have been specifically written for strata residents:

- PlugIn BC resources including <u>rebates</u>, an <u>EV advisor service for stratas</u>, and sample EV charging bylaw templates for stratas;
- Metro Vancouver's <u>information page to support EV charger use and installation in</u> stratas; including approval from strata councils and owners

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http://www.metrovancouver.org/services/air-quality/climate-action/transportation-programs/ev-strata-condo/strata-council-managers/Step3/Pages/default.aspx and

• The Condominium Home Owners' Association (CHOA) report on EVs in stratas.

c. Electric Vehicle Charging in Other Jurisdictions and Ontario

Some jurisdictions have introduced "Right to Charge" (RTC) legislation to support EV charging in existing stratas. RTC legislation is generally intended to give EV owners the presumptive right to install and use EV charging equipment in stratas with certain limited exceptions.

In May 2018, Ontario became the first and only Canadian province to introduce RTC legislation to:

- Reduce the requirements for condominium owners to get corporations to approve installing EV chargers;
- Prevent condominium boards from ignoring or rejecting an owner's application to install an EV charger on condominium property (provided that the owner meets certain conditions);
- Require condominiums to respond to an EV charger application within a set timeframe; and
- Require condominium owners and corporations to enter into agreements regarding the installation and ongoing cost and management of EV chargers.¹

d. Links to relevant pages on the Province's strata housing website

- Strata Parking and Storage https://www2.gov.bc.ca/gov/content/housing-tenancy/strata-housing/renting-buying-selling/buying-and-selling-strata/parking-and-storage
- Depreciation Reports https://www2.gov.bc.ca/gov/content/housing-tenancy/strata-housing/operating-a-strata/repairs-and-maintenance/depreciation-reports/depreciation-report-requirements
- Form B: The Information Certificate <a href="https://www2.gov.bc.ca/gov/content/housing-tenancy/strata-housing/find-it-fast https://www2.gov.bc.ca/gov/content/housing-tenancy/strata-housing/renting-buying-selling/buying-and-selling-strata/paperwork-for-buyers-and-sellers/form-b-information-certificate
- Budgeting and Strata Fees https://www2.gov.bc.ca/gov/content/housing-tenancy/strata-housing/operating-a-strata/finances-and-insurance/budgeting-and-strata-fees

¹ Minister of Government and Consumer Services, "Making it Easer for Condo Owners to Charge Electric Vehicles at Home", News Release (April 23, 2018). Available at: https://news.ontario.ca/mgs/en/2018/04/making-it-easier-for-condo-owners-to-charge-electric-vehicles-at-home.html.