

AddÉnergie Technologies Inc.

Opening Remarks

Standing Committee on Environment and Sustainable Development

Zero-Emission Vehicles

November 2, 2020

Presented by Travis J. Allan, VP Public Affairs and General Counsel

Thank you, Madame Chair, and committee members for this opportunity to contribute to your study of zero emission vehicles.

AddÉnergie is a Quebec company that operates the FLO network of electric vehicle (EV) charging stations, provides advanced R&D, software and station operation services out of our head office in Quebec, and is the largest manufacturer of charging stations in Canada, manufacturing at our plant in Shawinigan. In addition to deployments across Canada, we have recently expanded into the United States, with notable deployments in Los Angeles, the Midwest, and New York. This past Friday, we announced the closing of our series C financing round, which will support our further expansion in Canada and the United States.

The transition to a low carbon transportation sector is a journey in which the start and the end points are both relatively clear. For our starting point, we know that while Canada has made important progress on both its climate and light duty ZEV sales targets, more will be required to achieve them. For our end point, we know that Canadians want to enjoy the cost savings and environmental benefits that come along with ZEVs. But, much like on any significant trip, how we make the journey matters a great deal.

Specifically, there is the issue of speed. Passenger internal combustion engine or ICE vehicles have average lifetimes of 13 years, on average. This means that the turnover of our fleet, which matters a great deal to our overall transportation emissions, significantly lags achievement of ZEV sales targets. The sooner we can increase sales numbers of ZEVs as a percentage of total vehicles sold, the sooner we lock in emissions reductions, and avoid locking in emissions from internal combustion engine or ICE vehicles.

There is also the issue of equity. This transition will only be just and sustainable if all Canadians who drive light duty vehicles have access to the benefits of electrification, including lower operating costs and better air quality. The jurisdictions that have achieved the best, most equitable access to electrification are the ones who develop a comprehensive suite of policies and incentives to support electrification, such as Quebec, British Columbia. These include vehicle incentives with some form of price or means-tested cap, ZEV standards to ensure supply of vehicles, education, and comprehensive investments in high-quality charging stations. These regions also invest in greening government fleets and parking lots. In Quebec, for example, Hydro Quebec's Circuit Électrique and companies like AddÉnergie, often with support from NRCan, have made a concerted effort to invest in both urban and rural charging infrastructure. In response, the proportion of rural Quebecers adopting ZEVs is almost identical to the rural share of the overall population. BC, again with private sector and utility involvement from BC Hydro and Fortis BC, has also made important progress in this regard. Another important policy is a used vehicle incentive, which can help the majority of Canadians, who purchase on the resale market, enjoy the benefits of ZEVs.

Finally, there is the issue of economic benefit. AddEnergie has been working to help transition consumers to ZEVs for over a decade, starting in Quebec, expanding throughout Canada, and now increasingly exporting our expertise and high-quality network to our southern neighbours. Our experience has been consistent: we see the most adoption, and the most innovation and economic benefit in regions that adopt a comprehensive suite of policies that supports ZEV adoption.

The major question is not whether economic benefits will occur: they will. From the development of intellectual property, to manufacturing, supply chain opportunities for assemblers, parts and batteries, to upstream supply of minerals, metals and petroleum products, we are at a special moment in history in which a technological change will create significant opportunities. Canada can be a leader in many parts of the supply chain, but if we don't act quickly and decisively, we risk missing out.

The case of Quebec is again instructive. The province has been a leader in advancing complementary policies, including a ZEV standard, to support vehicle purchase and charging station installation, and it has also been a leader in greening its own government fleets. The result has been high and equitable ZEV sales, growing charging station deployment, and the development of an increasing number of companies, like AddEnergie, which are innovating and building great products and services for domestic consumption and export.

We believe that Canada can help build upon these gains at a national level, by renewing funding for its existing incentives for vehicles and charging infrastructure, greening its own fleets, expanding education and adding a ZEV standard, which will clearly signal to the world and to Canada's business community that we are serious about this transition, and that there will be a market for the clean transportation investments necessary to create jobs and help achieve our environmental commitments.

Thank you for inviting me to speak at this committee and I look forward to responding to any questions you may have.