

Revised Alternative Fuels Infrastructure Regulation

Eurelectric Position Paper

Eurelectric represents the interests of the electricity industry in Europe. Our work covers all major issues affecting our sector. Our members represent the electricity industry in over 30 European countries.

We cover the entire industry from electricity generation and markets to distribution networks and customer issues. We also have affiliates active on several other continents and business associates from a wide variety of sectors with a direct interest in the electricity industry.

We stand for

The vision of the European power sector is to enable and sustain:

- A vibrant competitive European economy, reliably powered by clean, carbon-neutral energy
- A smart, energy efficient and truly sustainable society for all citizens of Europe

We are committed to lead a cost-effective energy transition by:

investing in clean power generation and transition-enabling solutions, to reduce emissions and actively pursue efforts to become carbon-neutral well before mid-century, taking into account different starting points and commercial availability of key transition technologies;

transforming the energy system to make it more responsive, resilient and efficient. This includes increased use of renewable energy, digitalisation, demand side response and reinforcement of grids so they can function as platforms and enablers for customers, cities and communities;

accelerating the energy transition in other economic sectors by offering competitive electricity as a transformation tool for transport, heating and industry;

embedding sustainability in all parts of our value chain and take measures to support the transformation of existing assets towards a zero carbon society;

innovating to discover the cutting-edge business models and develop the breakthrough technologies that are indispensable to allow our industry to lead this transition.

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WG E-mobility
WG Customers and New Services
WG Technology
Electrification and Sustainability Committee

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KEY MESSAGES

- Eurelectric supports setting a regulation on the deployment of alternative fuels infrastructure as it would ensure the harmonised and coherent roll-out of charging infrastructure across Europe and the decarbonisation of transport.
- We propose a reorganisation of the *Alternative Fuels* definition in a way that would bring it in line with the European Green deal purposes. Hence, it proposes to list CNG, LNG, LPG, synthetic and paraffinic fuels produced from non-carbon-free energy outside of the Alternative Fuels family, and in the newly created family of Transitional Fuels.
- Our industry believes that definition of *publicly accessible alternative fuels infrastructure* appears to be too broad and offers no clarity on which type of establishments could be included in it. Hence, adding more details on accessibility is needed.
- We support minimum and reasonable mandatory targets for electric recharging infrastructure, as they represent a positive signal of the ambitions with regards to electromobility and provide long-term signals for investments.
- With regards to the distance-based targets, Eurelectric proposes to add to the currently proposed 60km target considerations related to demographic conditions (population density, number of inhabitants, traffic intensity and its projected growth or decline) to make them more adequate to the different situations of different Member States. Moreover, Eurelectric suggest bringing forward by 5 years the implementation deadlines for the TEN-T comprehensive network (2030 and 2035) to allow for long distance trips to less dense areas.
- With regards to the fleet-based targets, Eurelectric believes that a value between 1.5 and 2 kW per BEV and 0.66 kW per PHEV would be a better solution to kickstart the national investments on the charging network and bring it where it needs to be in the 2020s to facilitate mass adoption of EVs.

Eurelectric welcomes and supports in general the proposal of a new regulation on the deployment of alternative fuels infrastructure. The proposal made by the European Commission goes in the right direction to ensure the harmonised and coherent roll-out of charging infrastructure across Europe and the decarbonisation of transport. The setting of minimum binding targets for charging infrastructure based on EV fleet and capacity is particularly welcomed as they send the right signals to drive the growth of electromobility in Europe. Moreover, as the production of electric heavy-duty vehicles starts or ramps up, the introduction of targets for heavy-duty vehicles is seen as a positive step forward to assist the growth of this vehicle segment.

However, some requirements could be further improved. Therefore, Eurelectric presents a set of recommendations.

Transforming the Directive into a Regulation

We agree with transforming the existing Directive in a Regulation as it would allow for:

- More homogenous and quick results across Members States
- Avoidance of potential substantial and timing discrepancies arising from national transposition
- Shorter process before implementing the agreed provisions
- Unified approach to technical requirements

Finetuning some definitions

We propose to reorganise the *Alternative Fuels* definition since is not in line with the European Green deal purposes, to make sure that '*alternative fossil fuels*' for a *transitional phase* (CNG, LNG, LPG, synthetic and paraffinic fuels produced from non-carbon-free energy) are not included in the broader family of Alternative Fuels, but rather in the newly created family of *Transitional Fuels*.

The definition of *publicly accessible alternative fuels infrastructure* ('*an alternative fuels infrastructure which is located at a site or premise that is open to the general public, irrespective of whether the alternative fuels infrastructure is located on public or on private property, whether limitations or conditions apply in terms of access to the site or premise and irrespective of the applicable use conditions of the alternative fuels' infrastructure*') appears to be too broad and offers no clarity on which type of establishments could be included in it. The current definition of 'public' alternative fuel infrastructure does not include any accessibility requirements (in terms of opening hours and customer limitations). More details on accessibility are therefore needed in the definition.

As a starting point, Eurelectric suggests differentiating between publicly accessible and semi-public alternative fuels infrastructure.

Publicly accessible alternative fuels infrastructure, including public parking lots and public areas, areas of common interest (culture, sport etc.) and large private parking spaces of retailers, hospitals etc. are accessible for all general groups of users, providing Union-wide non-discriminatory access to any EV driver and use of the charging station is not conditional on purchase or use of any other service or contract (non-discriminatory access includes different terms of authentication, use and payment options).

Semi-publicly accessible alternative fuels infrastructure is defined for areas which do not serve for the use of general groups of users but only for special groups like guests of hotels and restaurants, and clearly defined other groups.

Support for minimum mandatory targets

Eurelectric supports minimum and reasonable mandatory targets for electric recharging infrastructure, as they represent a positive signal to drive the harmonised and coherent growth of electromobility all across Europe and provide long-term signals for investments. More specifically, Eurelectric believes that the new fleet-based methodology for the country target (1 kW for BEV and 0.66 kW for PHEV) is a step in the right direction as it ensures that the number of public chargers increases hand in hand with the number of EVs on the road and therefore consistent with the revision of the CO2 standards Regulation for cars and vans.

Moreover, the deployment of charging points precedes the evolution of EV markets due to the time-to-build of this type of infrastructure, in a way that would still allow Member States flexibility with regard to the composition of the recharging infrastructure, in particular the proportion of normal and fast recharging stations. Moreover:

- Eurelectric has stated that 80% of charging takes place at home or in the workplace. Adopting safe scenario, the Commission's assumptions need to be reworked to have a proportion of energy delivered via public normal equal to 20% and a proportion of energy delivered via public fast equal to 10%.
- There is a significant gap between the power output and the effective power delivered. This difference should be integrated in the determination of minimum targets.
- All but 1 EU Member State already exceeds the 1 kW power output per BEV, hence the proposal would not require any additional work at national level to strengthen the infrastructure deployment. While such a target could be fit for the long term (from 2030 and onwards) when a mature and electric vehicles' market is reached and their inclusion in the electricity grid is attained, it is not sufficient on the short term to drive the deployment of publicly accessible charging infrastructure in Member States. Additionally, the broad definition of publicly accessible charging points, as it is described in the current proposal, admit counting for charging points that will not be available 24/7. From a capacity standpoint, it ultimately means that the correspondent charging power should not be considered at 100% of its maximum capacity (e.g., a charging point with 22kW of maximum capacity, that it is only available 12hrs/day, should only count as 11kW, for the purpose of the capacity targets).
- This means that a value between **1.5 and 2 kW per BEV and 0.66 kW per PHEV would be a better solution** to kickstart the national investments on the charging network and bring it where it needs to be in the 2020s to facilitate mass adoption of

EVs¹. According to the reporting practices and timeline detailed in Article 14 of the proposal, Member States should assess the appropriateness of the targets and recalibrate their ambitions, if needed.

Beyond a pure distance-based target

The distance-based target of maximum 60km between publicly accessible recharging pools for LDVs (100km for HDVs on the TEN-T Comprehensive network) on the TEN-T core and comprehensive network is a positive step forward to tackle the range anxiety that prevents EV adoption from certain consumers. Nonetheless, this metric might work for some Member States and might prove simply inadequate in others. Hence, Eurelectric suggests:

- Adding considerations related to demographic conditions (population density, number of inhabitants, traffic intensity and its projected growth or decline) into the formulation of these targets to make them more adequate to the different situations of different Member States
- Bringing forward by 5 years the implementation deadlines for the TEN-T comprehensive network (2030 and 2035) to allow for long distance trips to less dense areas
- The proposal currently does not set any requirements for LDV charging in cities/urban nodes (while it does for HDVs). As most public charging in cities will take place at 'commercial properties', Eurelectric suggests setting a percentage of parking spots in medium & large commercial properties with public chargers by 2030.

Eurelectric supports the proposal for what concerns the recharging infrastructure requirements introduced in the new Article 5. Both the points on consumer information and pricing are positive steps for a convincing consumers to embrace electromobility. Nonetheless, the following aspects require improvement:

Pricing and Payments

- Contract and price setting (CPO – EMSP and EMSP–EV user) should be left to market players' choice to avoid interfering in the contractual freedom between the different market actors, on the basis of non-discriminatory access
- All applicable ad hoc price information should be made available to end users prior to the start of the recharging session through freely available, widely supported electronic means rather than physically display (e.g. displays, stickers)
- Regarding the requirements on payment methods, Eurelectric believes that mandatory card payments are not the right way to go. Eurelectric believes that a customer-friendly charging network should provide different payment methods. Payment methods to be integrated should remain part of the competitive development of the different economic players. There should be no differentiation

¹ The point on the increase of the minimum targets is not supported by the German member association (BDEW) as a target above 1kW could impact the economic viability of the operation of charging infrastructure in Germany.

of payment methods between the different type of charging stations (whether they provide a power output below/equal to 50 kW or above). Therefore, Eurelectric recommends adding the “*devices using internet connection with which for instance a Quick Response code*” as an option for the stations above 50 kW IN art.5(2), point b similarly to what is proposed in point a. Also, fundamental interventions in the hardware should be avoided because they would cause high costs in construction and operations and would lead to higher prices for all consumers. Eurelectric supports applying these obligations only to newly built charging stations.

Smart charging

The mandatory requirements for smart charging, which in the current wording implies a retroactive effect, could create an unnecessary burden for previous investment decisions. Eurelectric suggests applying this requirement only to the newly installed charging points, meaning existing ones do not have to be retrofitted.

Enhanced National Policy Frameworks

Eurelectric supports the reformed timeline and content of the National Policy Frameworks (NPFs) with respect to the targets established and the measures to be taken by Member States and reported to the Commission. A stronger role of the Commission in assessing these plans is welcomed and perceived as a positive tool to make sure Member States can deliver on their electromobility commitments. Particularly welcomed is the reporting focus on measures necessary to ensure that deployment and operation of recharging points, and bidirectional charging points, contribute to the flexibility of the energy system and to the penetration of renewable electricity into the electric system. Thus, NPFs should take into consideration the results of the assessment of the pace and localisation of smart charging points on distribution network investment needs and the use of flexibility. However, this reporting should not come with increased administrative burdens for transmission system operators and distribution system operators.

Too soon to standardise some requirements

The Commission identified new technical requirements ‘to be standardised’ in its proposal. Eurelectric believe that standardisation of the domain of EV communication and HDV charging are premature and unnecessary. We are concerned that mandatory standardisation may invite technological lock-in and hinder the development of a fair, open, and competitive market².

²https://cdn.eurelectric.org/media/4563/20200709_eurelectric_features_and_implementation_of_iso15118_final-2020-030-0464-01-e-h-330B2A5B.pdf

Eurelectric pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability



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