Voting recommendations (ENVI) on CO2 emission performance standards for new heavy-duty vehicles

Eurelectric recommendations

October 2018

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powering people

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.

WG E-mobility

Contact:
Petar GEORGIEV, Advisor Electro-mobility -
pgeorgiev@eurelectric. org

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KEY MESSAGES

- Europe is at a crucial moment in time, where in order to deliver on the Paris Agreement the transport sector has to drastically increase emission reduction efforts. Emissions from transport are both in absolute and in relative terms higher than in 1990.

- The power sector is committed to becoming carbon-neutral well before 2050. Regulatory frameworks which enable zero emission mobility to develop are needed to drive this transition.

- Heavy-duty vehicles (HDVs) represent about 6% of all road vehicles in the EU, yet they produce about 25% of all CO2 emissions from road transport. What is more, HDV emissions are projected to grow by 9% between 2010 and 2030 due to increased transport activities. This led to the European Commission proposal for new emission standards for 4 out of 17 HDV types, as defined in EU's CO2 emission and fuel consumption certification regulation. According to Commission estimates, these four groups altogether account for about 70% of all CO2 emissions from EU's heavy-duty fleet.

- Being the first of their kind in Europe, the HDV standards provide an opportunity to clearly define the direction the sector is going. On the industry side of things, binding standards would increase competitiveness, as other main world markets such as US, China, and Japan have already put emissions or fuel consumption standards in place. At the same time, transport operators and consumers alike will stop missing out on potential savings from cost-efficient technologies that are already available. The requirements of the standards will allow to incorporate and widely spread such technologies on the market.

- The amendments presented below are tackling the key shortcomings of the Commission's proposal and seek to move Europe forward towards a trajectory in which the transport sector can successfully play its part in achieving the EU's ambitions for the Paris Agreement.

Explanations:

N° amendment XX: call to vote against
N° amendment XX: call to vote in favour

Compromise amendment	Topic	eurelectric preferred option	Justification
CA 1A	targets	In favour	Stricter and binding targets for 2025 and 2030 are the main instrument to drive sustainable investment into the transport sector. Being the essence of the proposal, the target levels are decisive in defining Europe's willingness to create a sustainable transport ecosystem and reap the benefits of a clean mobility paradigm shift.
CA 1B	targets	Against	Reducing the emission reduction targets for heavy-duty vehicles means that the proposal will fail to deliver the reductions needed to attain the ESR targets. Considering the current market developments and overall direction of the transport sector, lower ambition would also have negative consequences for the competitiveness of the industry.
CA 3A	ZLEVs	In favour	A strong and enforceable zero- and low-emission vehicles sales benchmark is essential in order to ensure a timely roll-out of vehicles and a significant deployment of elements along the e-mobility ecosystem by the beginning of next decade.
CA 3B	LEVs definition	Against	The lack of enforceability is detrimental for investment security and endangers to position European industry as laggards on the international mobility arena.
CA 2A	Scope (buses)	In favour	As zero-emission buses market is already well matured and incentivised, it is appropriate to set binding targets to ensure sufficient supply on the market.
CA 2B	Scope (vocational)	In favour	It is imperative to specify the technical criteria for the definition of vocational purpose of a vehicle, since the CO2 certification regulation does not provide such.
CA 5	Pooling	In favour	This provision brings flexibility on an open and transparent basis.
CA 12	Carbon correction factor	Against	As proposed, the carbon correction factor (CCF) will distort the regulation strongly in favour of gas and other e-fuels, which will not help the EU reach its Paris Agreement goals.

CA 4A	Banking and borrowing	In favour	This mechanism provides incentives for early adopters and does not penalise non-compliance in the years between 2025 and 2029.
CA 4B	Excess emissions premium	Against	Reducing the excess emissions premium from 6,800 Euro/g CO_2/tkm to only 570 Euro/g CO_2/tkm is extremely inappropriate and dangerous. This stimulates vehicle manufacturers to simply pay their fines instead of following the requirements of the Regulation.
CA 4C	Excess emissions premium	In favour	Referring to the case in hand in CA 4B, this amendment must be accepted in order to ensure compliance with the Regulation.
CA 6	Just transition & revenues earmarking	In favour	It is necessary for the revenue collected through the excess emissions premium to be earmarked for just transition to zero- and low-emission mobility.
CA 7	Verification of the monitoring data	In favour	A validation mechanism for the 2019 baseline will guarantee the accuracy and effectiveness of this Regulation.
CA 8A	Real-world representativeness	In favour	Without a transition to RDE test and introduction of standardised fuel consumption meters, in light of previous non-compliance by the automotive industry, a high uncertainty would remain on actual results that can be achieved with this Regulation.
CA 8B	Real-world representativeness	Against	Assessing the feasibility of testing under real driving conditions is not enough to deliver working standards.
CA 9	VECTO	In favour	Properly updating the VECTO tool will provide lawmakers with more information on vehicle categories outside the current scope and will facilitate their inclusion in a later point.
CA 11	Life-cycle analysis and methodology	In favour	Assessing the life-cycle impact of the vehicles will bring forward additional conclusive evidence on the benefits of electrification of transport, considering the power sector is set to decarbonise well before 2050.
CA 10A	Review	In favour	It is essential to have solid evidence as to how the attainment of targets is progressing, and thus a timely assessment in view of broader regulatory instruments is needed. This needs to be as comprehensive as possible, keeping in mind the market realities of today.
CA 10B	Review	Against	It is essential to have solid evidence as to how the attainment of targets is progressing, and thus a timely assessment in view of broader regulatory instruments is needed. This needs to be as comprehensive as possible, keeping in mind the market realities of today.

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

Union of the Electricity Industry - Eurelectric aisbl
Boulevard de l'Impératrice, 66 – bte 2 - 1000 Brussels, Belgium
Tel: + 32 2 515 10 00 - VAT: BE 0462 679 112 • www.eurelectric.org
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