ChargeUp Europe input to the Consultation on the Climate, Energy and Environmental Protection Aid Guidelines (CEEAG)

Introduction

ChargeUp Europe is the voice of the electric vehicle (EV) charging infrastructure industry. ChargeUp Europe has been formed to accelerate the switch to zero emission mobility and ensure a seamless driver experience with access to high quality, readily available charging infrastructure across Europe.

We congratulate the Commission's efforts to include EV charging infrastructure under the scope of the CEEAG and welcome the opportunity to provide feedback on the draft guidelines.

Feedback on section 4.3. 'Aid for clean mobility', specifically on part 4.3.2 'Aid for the deployment of recharging or refueling infrastructure'

Article 168. Directive 2014/94/EU of the European Parliament and of the Council72 creates a common framework of measures for the deployment of alternative fuels infrastructure for transport in the Union and sets provisions for the Member States for the deployment of such infrastructure. Moreover, other policies promoting the uptake of clean transport vehicles may already provide for investment signals for the deployment of recharging and refueling infrastructure. However, those policies alone may not be sufficient to address in full the identified market failures. Member States may therefore grant aid to address those residual market failures and support the deployment of recharging and refueling infrastructure.

The alignment between the Alternative Fuels Infrastructure Regulation (proposed by Commission) and the Energy Performance of Buildings Directive in addition to the Trans-European Network for Transport (TEN-T) Regulation is of crucial importance to ensure the deployment of charging infrastructure, fit for different use cases and locations. Additionally, **it is crucial that it is explicitly stated that aid can only be provided to publicly awarded projects on clean mobility/EV charging infrastructure that are obtained in line with EU competition laws**. This means that only EV infrastructure projects that were awarded through open and transparent tender procedures could be eligible for aid. Further context to such open and transparent procedures can be found in the following ChargeUp Europe position paper: The building blocks for an open market for EV charging infrastructure in the EU.

Under the proposal for the Alternative Fuels Infrastructure Regulation, the Commission has introduced binding targets for publicly accessible EV charging points. This may lead to a need for aid in some Member States to make sure that the required EV infrastructure could be rolled out. It is important that these targets are smart and grounded on projections for the development of the market, distinct use cases and status of EV charging infrastructure deployment in Member States. However, in many instances, there is no long-term plan of what is expected or what should be deployed across private, commercial, and public sites over the next decade to respond to EV charging needs.

167. A comprehensive network of recharging and refueling infrastructure is necessary to enable a widespread uptake of clean transport vehicles, and to enable the shift towards zero emission mobility. In fact, a particularly critical barrier to the market uptake of clean transport vehicles is the limited availability of the infrastructure to recharge or refuel them. Furthermore, the recharging and refueling infrastructure is not spread evenly across Member States. At the same time, as long as the share of clean transport vehicles in operation remains limited, the market alone may fail to deliver the recharging and refueling infrastructure needed.

Setting minimum targets and providing public support where necessary for publicly accessible charging points, particularly in countries and regions where the deployment of charging infrastructure is most needed to meet the current demand of ever-growing EV fleets, will provide long term predictability which will encourage private investment and ensure a more consistent development of the EV market throughout Europe.

Rue de la Loi 227, 1040 Brussels, Belgium

+32 2 669 16 00, secretariat@chargeupeurope.eu

Nevertheless, such binding minimum targets must be structured based on National Plans, to deliver long-term vision and strategy on how the e-mobility situation should progress in each Member State, and cover aspects such as:

- Minimum installed capacity model.
- Robust projections for the development of the market and take into account the different charging needs, travel habits and domestic/professional situations of EV drivers;
- A broad and inclusive outlook to serve all EV Charging use cases (e.g. including private charging) which should be outlined in comprehensive national charging rollout plans subject to oversight by the European Commission.
- Such plans play an important role in ensuring that the binding minimum targets for publicly accessible infrastructure are achieved in a strategic way that delivers infrastructure where it is needed, where it makes sense and where it can benefit the driver and the market.

Article 171. The Member State must verify the necessity of aid to incentivize the deployment of recharging or refueling infrastructure of the same category by means of an ex ante open public consultation or an independent market study. In particular, the Member State must verify that similar infrastructure is not likely to be developed on commercial terms in the short term.

Given that each Member State will need to assess the need for aid to incentivize the deployment of recharging or refueling infrastructure, it is critical to promote a public consultation, so that market agents can share their views on the roll-out of infrastructure deployment, and potential impact to their business and the level playing field. To that end, an independent market study can indeed be an important tool. **Giving voice to the entities that are at the forefront of the electric mobility sector will grant a rational and business-oriented view on the needs and gaps that currently hinder a faster development of electric mobility**.

Aid given to clean mobility/EV infrastructure projects must not exceed 50% of Capital Expenditures (CAPEX). Aid could be used to support a business case of a project, but a limit of 40-50% ensures limits the risk of undertaking projects that are not within the bounds of a sound business case, and limits the risk of affecting the level playing field.

It is important that **aid for EV infrastructure projects comes with strong quality and maintenance requirements**, to ensure that aid is well used and to avoid that newly build/updated infrastructure does not function properly. Subsidies/aid should be prioritized to encourage development of white-spots (e.g. economically less attractive sites). When on public land and under a public permit, the Member State should only allow **aid/subsidies for projects awarded through open and transparent (tender) procedures**.

Mechanisms should be put in place to ensure that **aid awarded does not affect the level playing field** (e.g. when AC chargers in a given city are subsidized but DC chargers are not subsidized or subsidized differently there can be an unlevel playing field as the two have to compete with each other). This means that an analysis will need to be undertaken of competing clean mobility/EV infrastructure projects, which will have to be able to compete with already existing (or planned) EV charging infrastructure on the basis of a level playing field.

Article 172. When assessing the necessity of aid for the deployment of recharging and refueling infrastructure for zero-emission and clean transport vehicles that is open for access by third parties, including publicly accessible recharging or refueling infrastructure, the market penetration of the clean transport vehicles that such infrastructure would serve may be considered.

Not only the market penetration of the clean transport vehicles, but also other very important aspects should be considered, such as:

- As for EV Charging infrastructure, share of AC (normal) and DC (fast or ultrafast) charging;
- Commute patterns, particularly in urban centers;
- Public parking for e-charging and correspondent e-license fees;
- Expected growth of EV market and share of private and public charging;
- Grid reinforcements as well as integration of storage solutions, thus promoting and easing the use of renewables in transport;
- Absolute numbers of EV ownership, to avoid that using market penetration numbers as a guiding principle only will negatively affect the roll-out of charging infrastructure in remote areas.

Article189. If aid is granted for the deployment or upgrade of recharging or refueling infrastructure that is open for access by third parties, including publicly accessible recharging or refueling infrastructure, the latter must be accessible to the public and provide nondiscriminatory access to users, including, as appropriate, in relation to tariffs, authentication and payment methods and other terms and conditions of use. In addition, the Member State should ensure that the fees charged to third party users for using the recharging or refueling infrastructure correspond to market price.

Operating EV infrastructure in the context of an **open, transparent, and non-discriminatory market model** is very important. Only a harmonized approach (e.g. through specifications on issues such as metering, concession processes, payment means etc.) will ensure that EV charging infrastructure will be deployed in a way that guarantees a cross-border and seamless transition to e-mobility.

The development of e-mobility across the single market depends on open interoperable technology and communication protocols, to which non-discriminatory and uniform communication protocols in EV charging infrastructure are fundamental to ease charging experience for users, regardless of charging networks and regions. Open protocols (such as OCPP and OCPI) and roaming availability are necessary to avoid closed ecosystems and to encourage and accelerate the uptake of EVs across the EU, and that publicly available charging stations allow users to charge and pay on an ad hoc basis and with their charging service provider.

As for public tenders related to public charging infrastructure, they must be granted based on clear, non-discriminatory and open tender requirements and procedures, to encourage an open market, access for new players, fair competition and minimum service level agreements (SLAs).

Feedback on section 4.2. 'Aid for the improvement of the energy and environmental performance of buildings'

Article 118. The aid must induce:

(a) in the case of renovation of existing buildings, energy performance improvements leading to a reduction in primary energy demand of at least 20 % as compared to the situation prior to the investment. By way of derogation, where the improvement is part of a staged renovation, the latter must lead to an overall reduction in primary energy demand of at least 30 % as compared to the situation prior to the investment, over a period of 3 years;

(b) in the case of new buildings, energy performance improvements leading to at least 10 % of primary energy savings compared to the threshold set for the nearly zero energy building requirements in national measures implementing Directive 2010/31/EU of the European Parliament and of the Council.

Buildings have an important role in reducing GHG emissions, as most of EV charging takes place at home or at workplace. It is important that investment in charging infrastructure in buildings is considered as supporting the energy performance of buildings. To that sense, it is important to guarantee sufficient charging infrastructure to support the transition from internal combustion engine (ICE) vehicles to EVs. In terms of tailpipe GHG and air pollutants emission, EVs represent an obvious superior choice in comparison to ICE. EVs are also a superior choice than petrol and diesel cars based on lifetime CO2 emissions[1]:

Article116. This aid may be combined with aid for any or all of the following measures: (c) the construction and installation of recharging infrastructure for use by the building users, and related infrastructure, such as ducting, where the car park is located either inside the building or it is physically adjacent to the building;

Additionally, EVs can be used to provide flexibility services, which will ease the implementation at consumer level of smart charging and vehicle-to-grid (V2G) services, and ultimately support efficient use of grid resources as well as counterbalance electricity demand from the grid during peak hours. However, as for EVs, assessing the correspondent energy efficiency gains cannot be done by simply assessing on-site energy reduction. EV charging at home or at workplace may ultimately increase total energy consumption of a building. However, a more detailed analysis demonstrates that EVs have lower energy usage and GHG emissions per km traveled.

To that sense, as provided in 116 (c), construction and installation of recharging infrastructure should not be classified as an "add-on" of other energy efficiency measures/initiatives. EV Charging infrastructure should be classified as an "autonomous" energy efficiency measure, with its own specific measurement/assessment for

[1] https://www.transportenvironment.org/what-we-do/electric-cars/how-clean-are-electric-cars

the purposes of attributing an energy performance improvement percentage to meet the requirement for receiving aid.

Rue de la Loi 227, 1040 Brussels, Belgium

+32 2 669 16 00, secretariat@chargeupeurope.eu