

Question 1: Do stakeholders consider that uncertainty over the current MRP provisions is a barrier to the commercial growth of charge point infrastructure?

Very much so. Plugged-in Midlands has received several enquiries from potential charging point hosts wanting to build a business case for installations asking about transactional billing and regulations relating to resale of electricity. We have seen examples where this uncertainty has contributed to a delay in decision making and in some cases the lack of clarity has resulted in the view being formed that no viable business model exists, with the client withdrawing from the scheme completely.

Question 2: Do stakeholders agree that charge point providers should be free to set prices for the electricity resold from charge points?

Charge point operators or suppliers and back office providers should be able to set electricity pricing at a level where a viable business opportunity exists. Without this freedom, the development of the network is likely to favour those areas where the cost of the installation is low, irrespective of whether the charging points serve the EV motorist well.

There is a risk that some charging point hosts may bill outside a market acceptable level; however, in general, it is felt that the market is sufficiently competitive to regulate itself at the present time. There is a greater risk that regulated pricing will mean that there is insufficient margin to cover the investment of the operator or the margins necessary along the full value chain including the asset owner, the land owner, the back office provider and the billing system. In order to allow market development, there must be confidence from the charging point operator that they can charge sufficient for access to the service to cover costs over an extended timescale of say three or five years. In general, it is felt that the provision of an EV charging service is somewhat more complicated than the simple supply of energy, since other factors such as convenience, parking, charge rate etc. all contribute to the overall 'bundle' that the EV motorist is buying. Providing that the cost of the service is made clear to the EV user when they sign up to a scheme and arrive at the charging equipment location, it is not likely to cause a problem.

Question 3: Do stakeholders consider that the proposed amendment to the MRP direction would provide sufficient clarity?

It is clear, but there are still opportunities for the host and/or the billing management company to take advantage of the EV user or host. The key point is that the cost of the EV charging service is fully transparent; if this is the case then normal market forces will ensure that the services remain competitive.

Question 4: Could there be any unintended consequences to the above proposal, or proposed drafting?

It is not felt that there would be any unintended consequences to the proposed drafting, bearing in mind the current level of market maturity.

Question 5: Do stakeholders agree that the current MRP provisions should continue to apply to marine craft, including electric marine craft?

Electrically propelled marine craft are probably still small in numbers. They also utilise a reasonable amount of electricity when moored (a canal boat for example). It will therefore be difficult to differentiate between the electricity supplied to charge the propulsion batteries and the electricity utilised to run on-board appliances. If the MRP rules are to be relaxed for marine craft, the input electricity to the propulsion battery must be measured separately in order to remove the moored

electricity consumption which should be subject to the normal MRP rules. It is felt that this would be over-complicated, and since MRP provisions have applied to marine craft over an extended period of time without being overtly problematic it is not felt necessary to change the existing situation relating to marine craft.

Yours sincerely

Cenex