



Jonathon Lines  
Retail Markets and Research  
Ofgem  
9 Millbank  
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SW1P 3GE

27 February 2013

Dear Jonathon

**Consultation on the Maximum Resale Price to the resale of electricity for use by electric vehicles**

We believe that significant electrification of heat and transport is required to enable the low carbon transition, and in particular the storage capability of EVs could play a significant role in the smart grid of the future.

We support Ofgem's proposal to clarify that the MRP provisions should not apply to the resale of electricity for use by electric vehicles (EVs). This clarification reduces regulatory uncertainty, and we believe that innovation and competitive forces will ensure optimum pricing. For some consumers, a peaky and volatile price at the charging point may be the optimum and an MRP would not be appropriate.

Our detailed answers to questions one to four are below.

If you require any more information please do not hesitate to contact me.

This response is not confidential

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Chris Harris".

Chris Harris  
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Cc Jonathan Woodthorpe  
Kate Garth



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

Yes

Although there has been significant growth in the number of publicly available charge points, we believe that the current MRP provisions could act as a barrier to future market models, which could constrain the growth of commercially viable charge point infrastructure. It is important that providers will be able to charge an appropriate fee which will recoup the costs associated with the investment in the infrastructure.

We note that for as the letter states, “the resale of gas for use as fuel for the propulsion of a motor vehicle is already excluded from the MRP controls by Section 37 of The Gas Act 1986” – we believe it would be both fair and appropriate that the resale of electricity as a fuel for the propulsion of an electric motor vehicle should be treated in the same way.

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

Yes

We agree that charge point providers should have the ability to set prices for the electricity resold from charge points. We expect that in future, many charge points will operate on a Pay As You Go basis, to address the “range anxiety” issue. Therefore it is important that the costs associated with providing such a service can be fully recouped. Ensuring providers have the commercial freedom to set charges is important, as it will enable the development of more innovative solutions and increased consumer choice.

It will be important to ensure that the charge points are suitably metered by approved equipment, so that the users can be confident that they are being charged for what they use and that there can be no confusion regarding the cost per recharge at that particular site.

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

Yes

We believe the proposed amendment will provide sufficient clarity.

**Questions 4) Could there be any unintended consequences to the above proposal, or proposed drafting?**

*None that we can see at this point*