



ACS Submission: Electric Vehicles

1. ACS (the Association of Convenience Stores) represents 50,000 local shops across the country including fuel retailers such as Motor Fuel Group, MRH, HKS Retail, Petrogas, Rontec and many independent fuel retailers. We welcome the opportunity to provide evidence to the House of Commons Business, Energy and Industrial Strategy Committee's inquiry into electric vehicles.
2. Fuel retailers make up 18% of the convenience sector, as such, the Committee's inquiry and its recommendations are of interest to ACS. Fuel retailers currently employ 117,000 people and in the past year fuel retailers have, on average, invested £16,603 per site.¹
3. We do not agree with the proposals in the Vehicle Technology and Aviation Bill to mandate a minimum provision of electric charge points and hydrogen refuelling at Motorway Service Areas and large fuel retailers. We have serious concerns that mandating a minimum provision for ULEV charging infrastructure is not the right approach.
 - Mandatory provisions of ULEV charging infrastructure will place considerable financial burdens on fuel retailers. Fuel retailers estimate that the development of electric charge points on fuel sites costs between £50,000 and 60,000.
 - The financial impact on fuel retailers will also be exacerbated by the Government's plans to stop feed funding after 2020. To develop ULEV charging infrastructure, the Government should deliver meaningful incentives to fuel retailers to invest in ULEV charging infrastructure.
 - ULEV infrastructure should be in locations that match consumer demands, for example retail and leisure facility car parks and work places. There is no evidence to suggest consumer demand for charging at fuel retailing sites.
4. Please see below for our response to the relevant questions.

What support for purchase costs should the Government provide after 2018, in response to the changing costs of electric vehicles?

5. For fuel retailers to invest in electric charge points and hydrogen refuelling they would need concrete commitments from the Government that there will be long term investment in this technology. For the investment to be effective it needs to be across the supply chain for consumers purchasing ULEVs, fuel retailers providing the infrastructure and car manufacturers to produce these vehicles – Norway and Thailand are the best examples of this type of Government backed investment. The Government's plans to stop seed funding after 2020 is therefore the wrong approach to encourage industry investment in infrastructure.
6. Fuel retailers have estimated that the development of electric charge points on fuel sites could cost between £50,000 and £60,000, and this is heavily dependent on the

¹ ACS Forecourt Report 2016

existing local area's capacity and connection to the National Grid. Hydrogen fuel by comparison would require much higher levels of investment with even less evidence that a viable market exists to justify installation of hydrogen refuelling stations by retailers. Therefore, it is extremely important that the Government provides incentives to ensure that fuel retailers do not face financial burdens.

7. An attractive investment incentive for fuel retailers would be if the Government could off-set investments in electric charge points and hydrogen fuelling against retailers' business rates liabilities to deliver a discount. The installation of EV charge points or hydrogen fuel provision would increase the overall cost of fuel retailing sites, despite the significant investment required by fuel retailers and the small or non-existent margins on fuel. Providing fuel retailers a discount on their business rates or off-setting their capital investment in electric charge points against their business rates bills could promote more investment in alternative fuel provision.

How best can the Government ensure that there is consistent provision of charging infrastructure across the country?

Understanding ULEV Consumers

8. Clause 10 of the Vehicle Technology and Aviation Bill will mandate a minimum provision of public charging points (both EV and hydrogen). We do not believe that there is consumer demand for public charge points on fuel retailer sites. The Government's Rapid Evidence Assessment suggests that "95% of private EV owners reported charging at home daily or weekly compared to 26% who reported charging at work daily or weekly and 12% who reported using public charging daily or weekly."²
9. In order to promote the use of charging points, the Government must understand how and where consumers want to charge. Consumers will be spending between 30 minutes to an hour charging their battery, locations such as petrol forecourts are not designed to support consumers waiting for long periods of time. For example, only 11% of sites include a seating area³. The Government should consider more strategic locations where consumers want to use EV charge points, for example, leisure centres, shopping facilities and workplaces. In order to promote the use of charging points, the Government must understand how and where consumers want to charge. These locations may be more appropriate than petrol forecourts.

Non-Regulatory Measures

10. The Government could also consider using non-regulatory measures and making more effective use of the planning system, such as through the National Planning Policy Framework, in order to promote ULEV charging infrastructure. The National Planning Policy Framework currently states: "incorporate facilities for charging plug-in and other ultra-low emission". This could be amended to be more specific about the exact locations that EV charge points should be provided and the capacity they need to deliver. It is unlikely that Local Plan developments would specify EV charge points unless there is a specific reference in the National Planning Policy Framework.

² [Hutchins, R., Delmente, E., Stannard, J., Evans, L. and Bussell, S. \(2013\) Assessing the role of the Plug-in Car Grant and Plugged-in Places scheme in electric vehicle uptake](#)

³ ACS Forecourt Report 2016

Understanding the ULEV Market

11. Based on the Government's latest figures⁴ from 2015 there are 9,000 registered ULEVs on UK roads and there are already 11,996 charge points available for ULEVs⁵ - there is already ample supply. If the Government aim to increase ULEV charging infrastructure in the UK, they must secure industry cooperation by making a business case for the extension of alternative fuel provision. The Government must be able to show that there is sufficient consumer demand for ULEV and that their investments will work to future proof their business and support their current trading model.
12. Currently there is not sufficient Government data about consumer take up of ULEV to justify the fuel retailers to invest. Fuel retailers would need to understand the commitment across the supply chain to deliver ULEVs; What are car manufacturers plans to invest in ULEVs? What are the estimated consumer made figures? What are the environmental benefits of ULEVs vs other technological developments? Can the National Grid sustain a shift to EVs? Would it be more appropriate to introduce EV charging in other strategic locations? The Government must be able to demonstrate that there is sufficient consumer demand in order to incentivise fuel retailers to invest in ULEV charging infrastructure.

For more information on our submission, please contact Julie Byers, ACS Public Affairs Executive by emailing Julie.Byers@acs.org.uk or calling 01252 515001.

⁴ <https://www.gov.uk/government/publications/number-of-newly-registered-ultra-low-emissions-vehicles>

⁵ <https://www.zap-map.com/>