



### ACS Submission: Electric Vehicles

1. ACS (the Association of Convenience Stores) represents 49,918 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: developing the market and infrastructure.
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 109,000 people and in the past year fuel retailers have, on average, invested £12,445 per site.<sup>1</sup>
3. We do not agree with the proposals in the Automated and Electric Vehicles Bill to mandate a minimum provision of electric charge points and hydrogen refuelling at service area operators and 'large' fuel retailers. We have serious concerns that mandating a minimum provision for ULEV charging infrastructure will place considerable financial burdens on retailers. Instead, the government should look to incentivise investment in electric vehicle charging infrastructure. Our written evidence the Automated and Electric Vehicles Public Bill Committee is available [here](#).
  - Meaningful incentives must be delivered to fuel retailers and other operators to extend the reach of EV charging points at service areas and large fuel retailer sites.
  - Mandating should be avoided, and only used as a last resort if the market does not deliver an effective network.
  - 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.

### **How do charging infrastructure requirements differ for alternative types of vehicle, journey, and user (including fleets)?**

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<sup>1</sup> ACS Forecourt Report 2017

5. In order to promote the use of charging points, the Government must understand how and where users of different types of electric vehicles want to charge. Consumers may be spending between 30 minutes to an hour charging their battery via a rapid charging point, as such locations such as petrol forecourts may not be appropriate as they are not designed to support consumers waiting for long periods of time. For example, only 4% of sites include a seating area<sup>2</sup>.
6. As part of this work, the government should look to assess the costs, benefits and feasibility of a national network for suitable electric vehicle charging points and hydrogen refuelling stations. Determining suitable locations where there is demand for public charging will promote the charging network more effectively rather than mandating fuel retailers to provide charging points.
7. The government could identify strategic locations on the road network and in local communities that could sustain electric vehicle charging instead of an arbitrary definition of a “large” fuel retailer determining the location of charging points. Finding a threshold to determine a “large” fuel retailer is extremely challenging as there are a range of variables across different fuel sites and locations. No one measurement of fuel volume, site numbers or site size will give a proficient indication of sustainability.
8. The government could also assess in more detail, the consumer demand for charging points in parking facilities and opportunities to enhance at home charging, for example on-street charging points. Currently, the 95% of electric vehicle owners report 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.”<sup>3</sup>
9. This could mean establishing and increasing the number of EV charge points at work places, car parks, established retail locations and leisure facilities to meet consumers charging needs, and where EV users may stay for longer periods of time - it may also include forecourt sites. We do not advocate mandating these locations to introduce infrastructure but the government could consider issuing further incentives or strengthening the current provisions in the National Planning Policy Framework.

### **How should new infrastructure for electric vehicles and associated grid reinforcements be sustainably funded?**

10. 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 is one of 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.
11. 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

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<sup>2</sup> ACS Forecourt Report 2017

<sup>3</sup> [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](#)

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.

12. Given the significant costs that large fuel retailers would face if public charging points were mandated on their sites, we encourage the government to allow the number of charging points at forecourts to grow organically. Ultimately, fuel retailers will follow consumer trends and as electric vehicle uptake increases, retailers will invest more in electric vehicle charging. For example, Shell announced in October 2017 that they will start rolling out its first wave of rapid electric vehicle charging points at its UK petrol stations<sup>4</sup>, while Motor Fuel Group, which has 413 sites, announced in August 2017 that they will roll out rapid charging points nationwide<sup>5</sup>.

### *Funding*

13. If the government wish to mandate the provision of public charging points on large fuel retailer sites, they should allocate funding for their installation to offset retailers' costs. Following several announcements (see table below), the government should consider how existing funding, or a new programme of funding could be developed for supporting petrol forecourts in strategic locations across the road network to invest in electric vehicle charging points.

<b>Date</b>	<b>Amount of Funding Allocated</b>	<b>Purpose of Funding</b>
February 2015	<ul style="list-style-type: none"> <li>£32 million infrastructure support up to 2020</li> <li>£8 million to support new charge points in towns and cities</li> <li>£15 million to continue to back the roll out of convenience home chargepoints across the country</li> <li>£9 million to address other infrastructure priorities, for example, ensuring that the UK's world-class chargepoint network remains accessible and open for users</li> </ul>	<p>Increase charging infrastructure in towns and cities</p> <p>Continue the Electric Vehicle Homecharge Scheme.</p>
Autumn Statement 2015	<ul style="list-style-type: none"> <li>The government will spend more than £600 million between 2015-16 and 2020-21</li> </ul>	Support uptake and manufacturing of ultra-low emission vehicles (ULEVs) in the UK
Autumn Statement 2016	<ul style="list-style-type: none"> <li>£80 million for ULEV charging infrastructure</li> </ul>	Not yet allocated

14. The government have allocated millions of pounds over the last three years to increase ULEV infrastructure. However, we are not aware of funding specifically to

<sup>4</sup> [The Guardian: Shell to open electric vehicle charging points at UK petrol stations](#)

<sup>5</sup> [Talking Retail: Motor Fuel Group to roll out electric vehicle charging facilities](#)

incentivise fuel retailers to host electric vehicle charging points despite the government's attempt to force them to host these services. We urge the government to consider dedicated funding for fuel retailers to install EV charging points in strategic locations instead of attempt to regulate the market.

### *Business Rates*

15. Fuel retailer sites' business rates are based on the turnover of their fuel, shop, and car wash sales. This means fuel retailers pay significantly higher business rates bills than standalone convenience stores, which pay business rates based on the footprint of their store. If electric vehicle charging points are mandated on large fuel retailer sites, their business rates will increase, which could disincentives investment in EV charging points.
16. Currently there is no provision in the VOA rating manual for the assessment of electric vehicle charging for business rates or the parking spaces that the vehicle occupies to charge, however, this is likely to change at the next business rates revaluation. The Government should pre-empt this and introduce an exemption for electric vehicle charging points and the associated car parking space from the rating list. This will provide businesses with the certainty to invest in the new technology without incurring additional tax liabilities.

**For more information on our submission, please contact Julie Byers, ACS Public Affairs Manager by emailing [Julie.Byers@acs.org.uk](mailto:Julie.Byers@acs.org.uk) or calling 01252 515001.**