ORGALIME

Position Paper

Brussels, 3 June 2013

COMMENTS ON THE COMMISSION PROPOSAL FOR A DRAFT DIRECTIVE ON THE DEPLOYMENT OF ALTERNATIVE FUELS INFRASTRUCTURE (COM (2013)18 final)

EXECUTIVE SUMMARY

Orgalime generally supports the promotion of a sustainable range of transport solutions and the build-up of interoperable, alternative fuels infrastructure in Europe as a means to stimulate sustainable growth, jobs and technology take up. As representing, among other, producers of the equipment that represents the essential link between the electric vehicle and the electric grid, Orgalime's specific interest in the proposal for a Directive on the deployment of alternative fuels infrastructure relates to the provisions concerning electric vehicle infrastructure.

We believe that the present regulations for electrical installations have brought electrical safety in Europe to a very high level. This must not be undermined by the introduction of e-vehicles whose charging infrastructure is integrated in the electrical networks and must respect the requirements of electrical regulation in Europe, derived, as they are both from the Low Voltage and EMC directives and from national codes and/or wiring regulations.

Furthermore, in our view, electrical infrastructure needs to be able to ease the stress on the electricity grids through proper energy and load management and to evolve over time according to use patterns of customers that require convenient solutions. We therefore welcome the proposal that such points should be equipped with intelligent metering systems that will enable flexible energy consumption, potential energy storage and dynamic pricing.

We support the inclusion of an ambitious target for the number of national recharging points, as well as that 10% publicly available charging points should be put in place in each Member State in a certain time frame, but caution that adjustments may be required depending on the state of the national policy frameworks and Member States' own strategies for electric vehicle infrastructure deployment. Given the challenge of achieving this, we recommend allocating specific funding towards innovative projects in the sector.

We agree with the general concept that slow and fast recharging points for electric vehicles should comply with technical specifications by a certain deadline. However, Orgalime has consistently advised against forcing a political decision in this area. We are an active promoter and supporter of the European standardisation work on e-mobility and electric vehicles which, in our view, has brought significant results following mandate M468. Consequently, we note with some reservations that the draft Directive imposes a political decision on a standard interface between the infrastructure and the e-vehicle through a defined technical specification.

On the issue of comitology, Orgalime suggests introducing a stakeholder consultation mechanism.

We provide our detailed views and recommendations hereafter:

Orgalime, the European Engineering Industries Association, speaks for 38 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs some 10.3 million people in the EU and in 2012 accounted for some €1,840 billion of annual output. The industry not only represents some 28% of the output of manufactured products but also a third of the manufactured exports of the European Union.

www.orgalime.org

ORGALIME aisbl | Diamant Building | Boulevard A Reyers 80 | B1030 | Brussels | Belgium
Tel: +32 2 706 82 35 | Fax: +32 2 706 82 50 | e-mail: secretariat@orgalime.org
Ass. Intern. A.R. 12.7.74 | VAT BE 414341438

DETAILLED COMMENTS AND RECOMMENDATIONS OF EUROPEAN ENGINEERING INDUSTRIES FOR SHAPING THE DRAFT DIRECTIVE

Based on current estimations, our industry expects some 4 million electric vehicles in Europe by 2020 and is seriously preparing the uptake of e-mobility in Europe. Our industries are providing the equipment that represents the essential link between the electric vehicle and the electric grid. Therefore, Orgalime generally welcomes the Commission's proposal for a Directive on alternative fuels infrastructure as a concrete means to drive forward the electric vehicles market in Europe.

We would like to recall Orgalime's position that existing EU regulations for electrical installations in buildings have brought electric safety to a very high level and that the introduction of electric vehicles must not undermine these[1]. Furthermore, the alternative fuels infrastructure for electric vehicles should in our view actively promote smart charging as well as load and energy management, while being able to evolve over time according to customer needs.

1. Acknowledging electricity as an alternative fuel (Article 2)

Orgalime generally welcomes the emphasis placed on diversifying fuels supply for transport, including in particular electricity amongst other "alternative fuels" **(Article 2 (1))**.

We agree that there should be multiple solutions for promoting sustainable, low carbon transport and that the market needs to evolve to accommodate a variety of competitive technology options available for consumers to take up.

We would welcome if the proposal would be extended to also include light vehicles, such as bicycle, tricycle, quadricycle and scooters with a view to their better dissemination in the market, especially in congested urban areas. However, the Directive would then have to acknowledge that light electric vehicles and any infrastructure delivered will have different needs and recharging requirements in comparison to heavy commercial electric vehicles.

2. Setting targets and measures to support manufacturing and the deployment of alternative fuels infrastructure (Article 3 and Annex I)

Article 3.1 requires Member States to set targets for the deployment of alternative fuels through national policy frameworks. Moreover, Article 3.1 obliges Member States to adopt a national policy framework for the market development of alternative fuels and their infrastructure. Additionally, Annex I outlines elements that national policy frameworks shall contain. For example, Member states shall allocate a yearly budget to support manufacturing plants for alternative fuels technologies, differentiated by fuel and transport mode. These incentives must be taken into account in a holistic national strategy to boost electrical recharging infrastructure.

Orgalime believes that both, Article 3.1 and Annex I, are key elements of the draft Directive that should be supported and implemented without delay.

3. Setting technical specifications of recharging points for electric vehicles (Article 4.3, Annex III)

Our industries are already active and supporting EU Member States' efforts to develop e-mobility, finding innovative and safe technical solutions.
Orgalime's industries are naturally active in the standardisation work related to e-mobility and electric vehicles recharging equipment within the European Standardisation bodies.

[1] Orgalime Position Paper (2011): Integrating e-vehicles into modern infrastructures

ORGALIME aisbl | Diamant Building | Boulevard A Reyers 80 | B1030 | Brussels | Belgium
Tel: +32 2 706 82 35 | Fax: +32 2 706 82 50 | e-mail: secretariat@orgalime.org
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Moreover, Orgalime continues to actively promote the need to integrate e-vehicles into smart grids and follows the development load and energy management in buildings and the definition and implementation of the smart charging concept for electric vehicles, in particular in the framework of the relevant committees of the European standardisation organisations.

What matters to Orgalime industries primarily when discussing technical specifications of recharging points therefore is the following:

- Building technical specifications on market needs and realities and technology neutrality.
- Contributing to the international competitiveness of European engineering industries.
- Preserving the high level of safety achieved by the EU's existing regulatory framework.
- Acknowledging the role, importance and already achieved results of European standardisation in support of EU action and legislation in the area of e-mobility.
- Ensuring consistency with Member States´ existing national wiring regulations to secure the high level of safety of electrical installations and electric vehicles, which we consider a most relevant use case of future smart grids.
- Establishing EU framework conditions and rules that provide for fair competition in the market place.

Against this background, our industry takes note of the political decision of the Commission to enforce one standard interface between the infrastructure and the electric vehicle in the draft Directive (see suggested harmonised technical specifications for electric recharging points following Article 4.3 and Annex III.1.1 and III.1.2 of the draft Directive).

Orgalime has in the past advised against such a political decision, notwithstanding that we support the promotion of one uniform European standard plug and connector for electric vehicle inlets and infrastructure outlets in the longer run.

While building a consensus on a harmonised interface is a hard task, on which European standardisation organisations are still working, it must be reminded that other more significant barriers exist for the deployment of e-vehicles today, such as the development of high performance, reliable batteries for electric vehicles and their costs, securing safety and overcoming the low acceptance of customers.

We believe that European standardisation has made significant progress in response to Mandate M468 and that harmonised European standards remain relevant to ensure future interoperability and connectivity between the charging infrastructure and the electric vehicle.

Orgalime thanks the European Commission for its support in the standardisation process at European and global level thorough issuing timely and comprehensive standardisation mandates, in promoting global harmonised standards and enhancing product safety standards as well as interoperability.

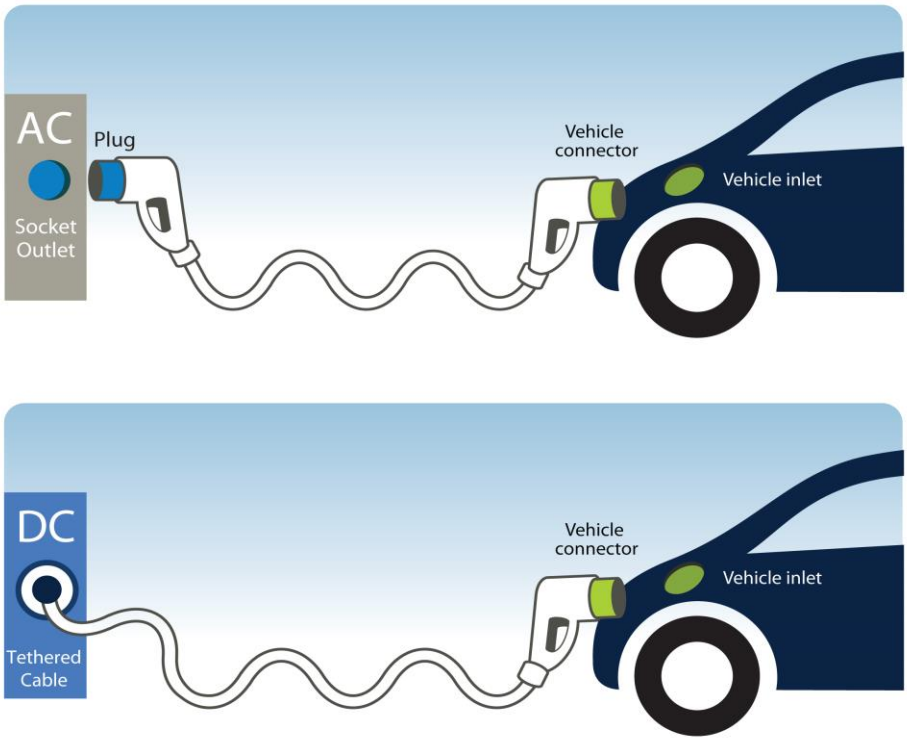
Orgalime recommends the bottom up development of further technical specifications and their harmonisation via European Standardisation in the longer term. In fact, IEC standardisation and subsequently European Standardisation work is ongoing. with the latest IEC activities initiated by the German and Italian National Committees in IEC/TC69 WG4 and IEC/SC 23H referring to installation requirements and the further development of the plug and socket standard IEC 62196-2.

In any case, the technical specifications for slow and fast recharging need to take into account the differences of national codes and/or national wiring regulations, regulating the safety of electrical installations in buildings and homes in Member States.

Given that the e-vehicles market is still developing, we welcome the Commission's acknowledgment that the equipment for slow and fast recharging points should be available on fair, reasonable and non-discriminatory terms. This is also essential in order to protect the rights of consumers who have already acquired e-vehicles and also for the future development of the market.

Orgalime points out that a mix of different vehicle models already exists on the market, enabling DC recharging, some fitted with Combo2, other with CHAdeMO. Due to the fundamental difference between these two standards, the industry should at this stage not be restricted to install infrastructure, which is potentially not compatible with the software of vehicles already on the market. This would create potential barriers to the take up of vehicles currently being manufactured by leading OEMs.

We also ask for aligning used terms and definitions in the draft Directive with the terms and definitions used in European standards (as outlined in the picture below). Currently, we see mixed references to car connectors and infrastructure plug in Annex III of the draft Directive.



Picture © BEAMA

Whenever regulators should empower the Commission to adopt delegated acts for the implementation of the final Directive, such as proposed in **article 4.11**, Orgalime recommends introducing a stakeholder mechanism to allow for appropriate consultation of stakeholders prior the adoption of any such delegated act.

Considering that electric vehicles infrastructures are mostly an integral part of electrical installations in homes and buildings, we suggest that the proposed Directive should be more inclusive concerning energy management.

In this context, we appreciate that according to **Article 4.6** all publicly accessible recharging points for electric vehicles should be equipped with intelligent metering systems. The Article recognises, in our view, the importance of smart charging to enable flexible energy consumption, potential energy storage and dynamic pricing and this is additionally underpinned by recital (12) of the draft Directive.

ORGALIME aisbl | Diamant Building | Boulevard A Reyers 80 | B1030 | Brussels | Belgium
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Orgalime's industries believe that energy management will play an increasing role in particular, in homes and buildings. Therefore, managed charging is needed and we consider the charging mode 3 as described in standard IEC 61851 as an enabler for safe and smart charging, including load and energy management. We see the draft Directive as an important tool to promote charging mode 3.

Finally, Orgalime views the European-wide deployment of smart grid as a precondition for the large scale adoption of electric vehicles. We recommend legislators to insert a reference into the Directive on the smart grid dimension, notably that smart grids will enable the integration of vast amounts of electric vehicles, as the Communication "Smart Grids: from innovation to deployment (COM 2011)" foresees.

4. Electricity supply for transport – minimum number of recharging points for electric vehicles (Article 4.1, Annex II)

Article 4.1 requires Member States to ensure that a minimum numbers of recharging points for electric vehicles, while Annex II specifies the minimum number for each Member State to be put in place by 31 December 2020.

Orgalime acknowledges that the numbers and the proposed time limit will require efforts from Member States. Where inconsistencies with national framework policies exist, these may have to be addressed. Perhaps, the numbers suggested in the draft Directive should be discussed in the light of desired figures on car sales in EU Member States.

Overall, Orgalime believes that the minimum numbers of recharging points for electric vehicles need to be ambitious in order to achieve the overall objectives of the Directive. Consequently, we consider the goal of **Article 4.2**, which proposes at least 10% of the recharging points to become publicly accessible, as reasonable and support it.

5. Financing

Orgalime recognises that financing of the proposed targets remains a challenge for all actors involved, in particular Member States.

Therefore, our industry supports investments from the private sector. However, incentives and public support will be essential in the beginning as an impetus for the change.

We recommend considering EU funding measures to support Member States in reaching the outlined targets of the proposed Directive. Consequently, the on-going EU budget negotiations should be used to redirect EU investments towards innovative projects creating growth and jobs in the e-mobility sector through the various EU financing and support instruments and programmes.

6. Conclusion

In conclusion, Orgalime supports the general objective of the Commission proposal, however, believes that certain improvements are needed.

We call upon regulators take Orgalime's comments into account to support an as rapid and ambitious deployment of alternative fuels infrastructure as a means to stimulate sustainable growth and jobs in the EU and the international competitiveness of European engineering industries in line with the EU´s Industrial Policy Communication.

For more information, please contact:
Sigrid Linher, Energy & Environment Manager: sigrid.linher@orgalime.org
Ulrich Fikar, Junior adviser: ulrich.fikar@orgalime.org