



National Policy for Electric Vehicle Public Charging Infrastructure.

Position Paper

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Introduction

Following a consultation exercise between the key players in the leasing, chauffeur driven and fuel stations, Malta Chamber of SMEs is bringing forward its position following the consultation document published by the Ministry for Energy, Enterprise and Sustainable Development titled 'National Policy for Electric Vehicles Public Charging Infrastructure'.

The below proposals, recommendations and concerns do not seek to benefit / impact only one sector but are aimed at widening the scope to a majority of sectors.

Members of the SME Chamber acknowledge that the shift to EVs is imminent and the need to have adequate infrastructure in place is essential for the positive succession of this shift. This said, through its position, the SME Chamber seeks to identify sector specific issues and concerns which all contribute to the successful implementation of this policy.

The policy published highlights the need for an adequate charging infrastructure in light that home charging might not always be an option for prospective future EV owners. It is therefore important for the government to encourage the private sector to invest at the same rate the government will be investing in charging points placed on public land.

This paper will not be going into all aspects of the policy published but covering areas which we believe might impact our members directly or indirectly and based on the feedback received.

The aim of the recommendations are also aimed at incentivising local businesses to continue investing in their business and upgrade their current vehicle fleets and infrastructure. This is perfectly in line with the spirit of the policy published.

Representation

The Malta Chamber of SMEs represents all transport related sectors which mainly include:

- Car Rental & Leasing
- Chauffeur Driven

- Car Importers [NEW]
- Unscheduled Bus Service
- Minivan Operators
- Cargo Haulers
- Supply Chain Distributors
- Gas Distributors
- Milk Distributors
- Fuel Stations

The members vary in size and operation. The majority of members represented are micro to small companies which in their majority employ less than 10 employees.

The sectors represented are organised through different committees, which committees represent a mix of members in terms of size and operation in order to ensure that all businesses in Malta are effectively represented.

Electric Vehicle Public Charging Infrastructure

Although infrastructure related with the private sector is not directly targeted through this policy, the SME Chamber believes The public and private EV Charging Infrastructure has to be tackled holistically and in one plan. The public and private pillar infrastructure must complement each other and not compete with each other in terms of location, availability to customers, payable tariffs, ease of use and payment features.

Moreover, the government should ensure that charging opportunity to business and commercial entities has to be equal, though distinct, from the general public. For this reason, the SME Chamber believes that the National Strategy for charging infrastructure has to enable the presence of fast charging pillars in industrial estates and private properties for commercial use for overnight charging. Moreover, airport and seaports car parks operators, supermarket car parks and petrol stations have to be considered as key players/enablers in the rolling out of the charging pillar infrastructure.

1. Alternative Current & Direct Current Charging Points

The Malta Chamber of SMEs notes that based on the paper issued, both options will be considered.

The policy acknowledges that specific sectors such as those in the chauffeur driven, rental and leasing and other large fleet operators will require DC ultra-fast chargers to keep up with their day to day demands.

In addition to this, public infrastructure in strategic locations should also cater for medium and heavy-duty vehicle charging and eventually for Buses and heavy Vehicles which obviously require more energy.

Public infrastructure should be adequate enough to cater for such requirements in order to ensure that the transition is done by both the public in general but also by the commercial sector.

The SME Chamber therefore proposes that public infrastructure will cater for this niche and such charging stations are placed in strategic locations across Malta and Gozo.

In addition, assistance given to private operators wanting to offer charging Service and offering different charging options (as listed in the policy), should be given assistance to invest in this niche technology which as listed in the policy is more expensive to install and requires more energy demand.

The SME Chamber believes that incentives should be offered for businesses to make the initial investment including the costs related with cables, substations and the actual charging pillars. Such incentives should ideally be designed to create a level playing field for operators to enter the market.

Moreover, the government should ensure a level playing field when it comes to supply of energy whereby supply should be available in all geographical areas across the Malta and Gozo for any interested Charging Service Providers to offer this service.

2. Standardisation of EV charging

The Malta Chamber of SMEs believes that when it comes to standards, the government should ensure that EU wide standards are implemented without favouring one brand or another.

Moreover, the policy documents makes reference to an annual audit, certified by a warranted electrical engineer for compliance with regulations annually. The SME Chamber requests more information on these standards and requests that any compliance standards are in line with international standards.

3. Electric Vehicles Market Rates

The Malta Chamber of SMEs fully agrees that the government should encourage private sector investment to meet with the public demands.

The SME Chamber would like further clarity on the authorization requirement by the regulator and the requirements asked for. Any criteria set should be standard, coherent and reachable by the private sector.

Additionally, the document mentions that the government will initially intervene to make available public charging points which will later be passed on to the private sector to maintain and operate. In this regard, the government is to ensure that any state aid is also given to private operators wishing to invest in charging infrastructure for public use.

4. Payment Rates and Connection Protocols

The SME Chamber notes that the cost for public charging shall consist of two components, a Flat rate and a premium applied by the Charging Service Provider. Although the SME Chamber is not against this methodology, it is pertinent to note that the premium charged by the government cannot create an unfair level playing field.

It is public information, that the government will be making use of aggressive EU funds to install charging pillars in strategic locations across Malta and Gozo. On the other hand, although it is expected that Private Charging Service Providers will also be supported to make the initial investment, the private sectors will benefit from less funds.

It is therefore important that any premium calculated takes the above into account. The SME Chamber remains open to discuss with the government and provide feedback on the costs associated with the private charging service providers. This is to ensure that any premiums set do not hinder competition and private investment.

5. Price Transparency

The SME Chamber notes that the price per kWh shall be established and the operator should not make any profit from the resale of electricity.

In this regard the SME Chamber requests that the price of electricity per kWh is the same across the board and does not distinguish between the electricity supplied to government owned public charging pillars and private owned public charging pillars. This is to ensure a level playing field across the market.

The premium established by the government should also be set in discussion with all stakeholders (in particular fuel station operators who most probably will offer this service amongst others) , this is to take into account the different costs incurred as explained under section 4. The SME Chamber therefore proposes that its representatives are involved in these discussions.

This is especially in light that the government, at least during the initial years, will have a dominant position in the market.

6. Local and Design Electric Charging Infrastructure

The SME Chamber believes that this is a very important aspect of the policy. The need for strategically located charging points is essential and members have already highlighted that stakeholder should be involved in the discussions.

The geographical coverage should also take into account interested private operators wishing to become charging service providers. The SME Chamber proposes that studies are carried out in order to determine the possible potential and interest from the private sector in the area.

As mentioned in previous sections the geographical locations should focus on the particular need of the area, as an example various car rental operators highlighted the need for hospitality service providers to offer this option for patrons to make use of such stations. Moreover, key points in densely touristic areas need to cater for this additional use. It is therefore recommended that such operators are given the assistance to make such an investment especially those that are not obliged to do so.

7. Geographical Distribution of EV Charging Stations

Any geographical distribution should also take into account the potential investment from the private sector. In order to take into account and in order to ensure representation of the private sector, the SME Chamber believes that any governing Committee responsible with geographical distribution should also be represented by one representative from the private industry. This is especially in light that Charging Service Providers will be required to obtain clearance and consent from the Governing Committee

The SME Chamber therefore proposes that the Governing Committee shall include:

- a representative of Transport Malta;
- a representative of the Ministry for Energy, Enterprise and Sustainable Development;
- a representative from Enemalta Plc;
- a representative of the Local Councils Association; and
- a representative from the Malta Chamber of SMEs

The idea behind this is to ensure that decisions take into consideration the private industry. As highlighted in the policy, the private sector is encouraged to invest.

Having a representative of the private sector in this committee is similar to other boards and committees such as the Malta Tourism Authority. Moreover, the SME Chamber is also part of authorities and boards which include (but not limited to); Jobs

Plus, OHSA, Malta Enterprise Investment Committee, Employment Relations Board and is a member of the industrial relations tribunal. In these cases, representation and appointment is either on an individual appointment basis or selected as an organisation.

Through this format one would ensure that the private sector is adequately represented.

8. Distribution of EV Charging Stations (not installed on private premises)

The SME Chamber would like further clarity on the clearance required by both the governing committee and the lands authority.

The SME Chamber believes that in order not to create a bureaucratic process and a policy should be developed which should ideally be automated as fast as possible. Such policy would ensure uniformity and compliance across the board.

Additionally, the SME Chamber believes that new less impactful technologies should be looked into when it comes to public land being used. In this regard, the government should encourage use of wireless charging points through more aggressive grants for those opting to make use of them.

9. Additional Electricity Demand and its impact on the Grid

The SME Chamber believes that access to such infrastructure should be available to all irrelevant of the geographical location. In this regard, before the strategy is deployed, the government should ensure that access to the same supply is provided across the board to all charging service providers wishing to offer the service.

10. Publicly Accessible Electric Vehicles Charging Infrastructure Regulations

The SME Chamber believes that as much as possible, especially in the initial launch period, the government should incentivise the private sector to enter the market and register as a charging service provider.

In this regard, the SME Chamber proposes that the Authorisation one-time fee of Eur 500.00 charged on each application is waived for those submitting an application during the first 5 years of implementation of the regulation.

Additionally, the fee of Euro 75.00 charged on each charging pillar (every 3 years) is not charged to those obtaining authorisation during the first 5 years from implementation.

Through the above incentives, the government would be creating the ideal environment for the private sector to enter the market, given that as mentioned in the policy document, the private sector will be an important stakeholder for the successful implementation of the public electric pillar infrastructure.

The Government should also ensure that the regulator is fully independent and free from and direct or indirect conflict of Interest. This is to ensure fair competition across the sector. It is therefore recommended that the regulator consults with the private sector in order to ensure a level playing field for all.

Final Remarks

The above proposals are intended to benefit all stakeholders concerned in this policy. The SME Chamber and its members believe that the government should incentivise the private sector as much as possible in order to ensure adequate take up and infrastructure.

The SME Chamber remains open to assist the Government to ensure businesses are on boarded and in line with the national strategies and policies.

The Proposals highlighted are aimed at taking a holistic approach to ensure that policies are realistic, effective and successful.