



BEUC The European
Consumer
Organisation

The Consumer Voice in Europe

Electro-mobility and the electricity sector: challenges and solutions

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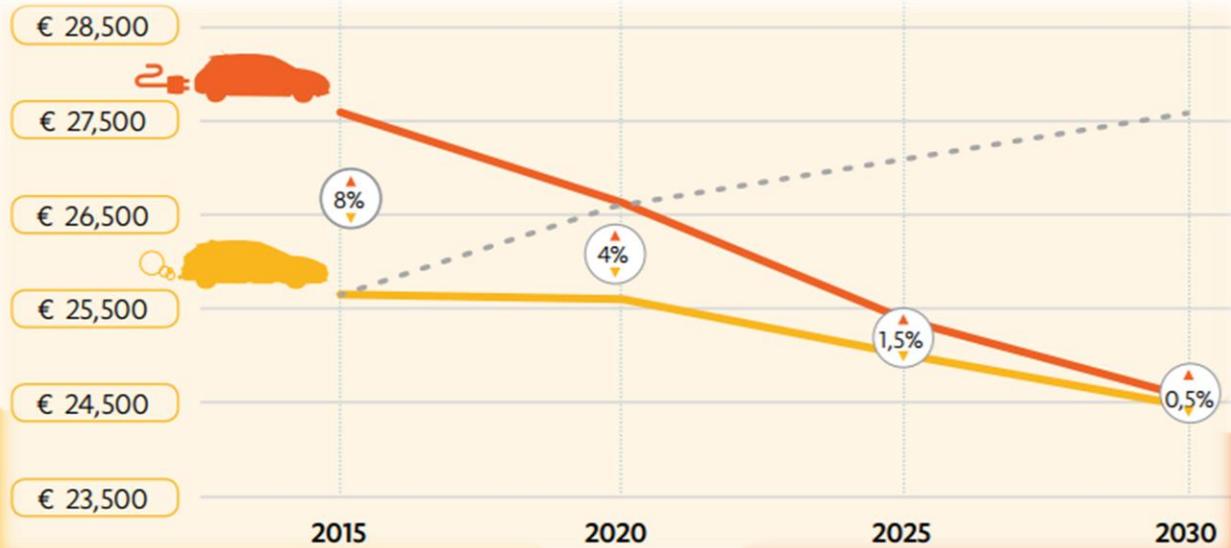
Confrontations-Europe

7 June 2018

Assessing consumers impacts: the total cost of ownership method



Costs of electric vehicles will fall in the upcoming years



Petrol

Electric

Comparing a medium-sized C-segment petrol car with fully electric car (e.g. Opel/Vauxhall Astra Vs Nissan Leaf)

New services cutting across sectors – Time to break the silos

New challenges and opportunities

By 2024 the **cost** of electric cars and diesel/gasoline cars would be **almost the same**

Under an **unmanaged approach** to vehicle charging, Germany's **grid operators** would need to spend **€350 million per year** by 2030 to reinforce the network

- ✓ Smart charging → Net benefit across the system of €140 million per year in 2030 in DE
- +
- ✓ Net benefit for car owner → €100 per year
- ✓ Vehicle2Grid tech i.e. Transferring power in and out of car battery to support the grid → up to 390 € in DE
650 € for UK and FR

New services cutting across sectors – Time to break the silos

Electric car owners 'can drive for free by letting energy firms use battery'

Savings from a new scheme will cover the £350-£400 annual cost of charging a Nissan Leaf, says electricity supplier Ovo



'to-grid' service to buyers of the Nissan Leaf from next year. Photograph:

will be paid for letting an energy company use their vehicle's charging scheme to increase take-up of the cleaner vehicles and manage the growth in green energy.

UK's biggest challenger energy suppliers, Ovo, will offer the service to buyers of the Japanese carmaker's new Leaf from next

cial charger in a customer's home, the supplier will take over the car's battery, with owners able to set a minimum amount for driving the next day. Ovo will then automatically trade battery, topping it up during off-peak periods when power



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The smartest and cheapest way to charge your electric car

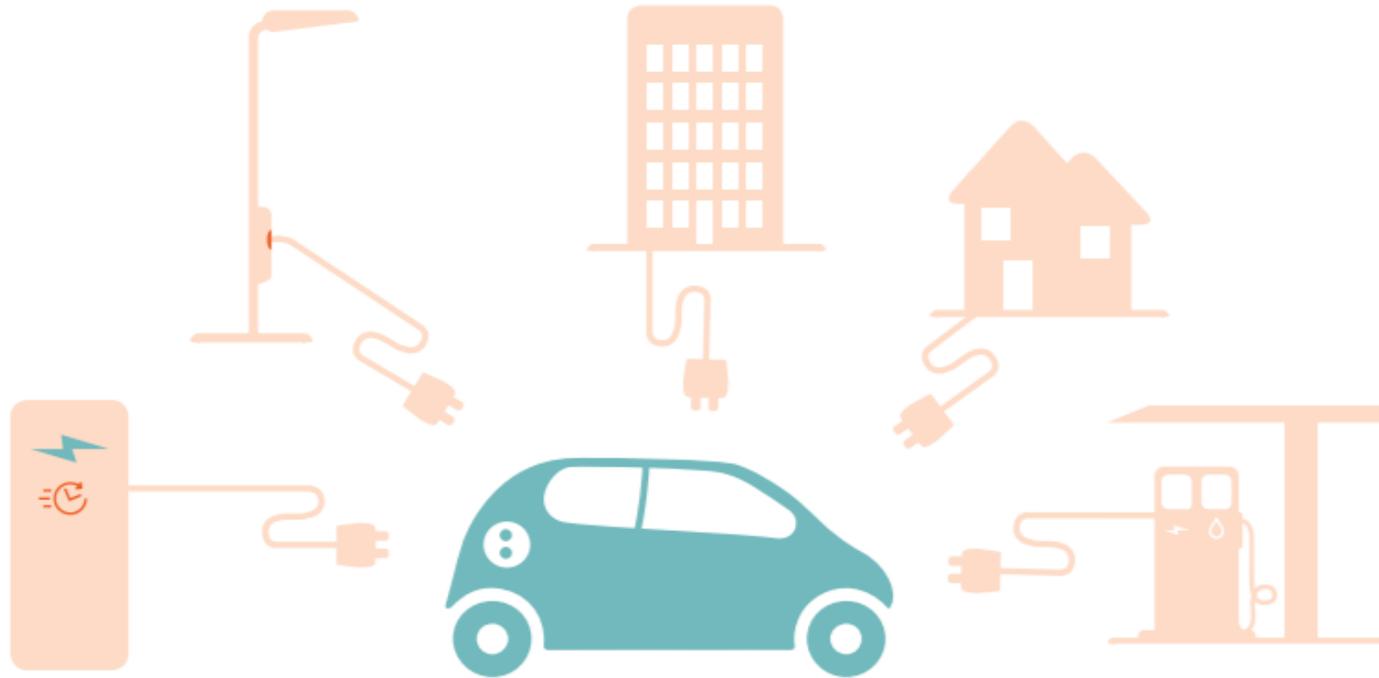
Jedlix

Jedlix manages the charging of your electric car based on the balance between production and consumption of renewable energy. By selecting the optimal charging moments, we increase the share of renewables in the energy mix.

We charge your car with renewable energy when the prices are at their lowest and we share the financial reward generated with you.

Still barriers to consumer uptake...

...and policy solutions

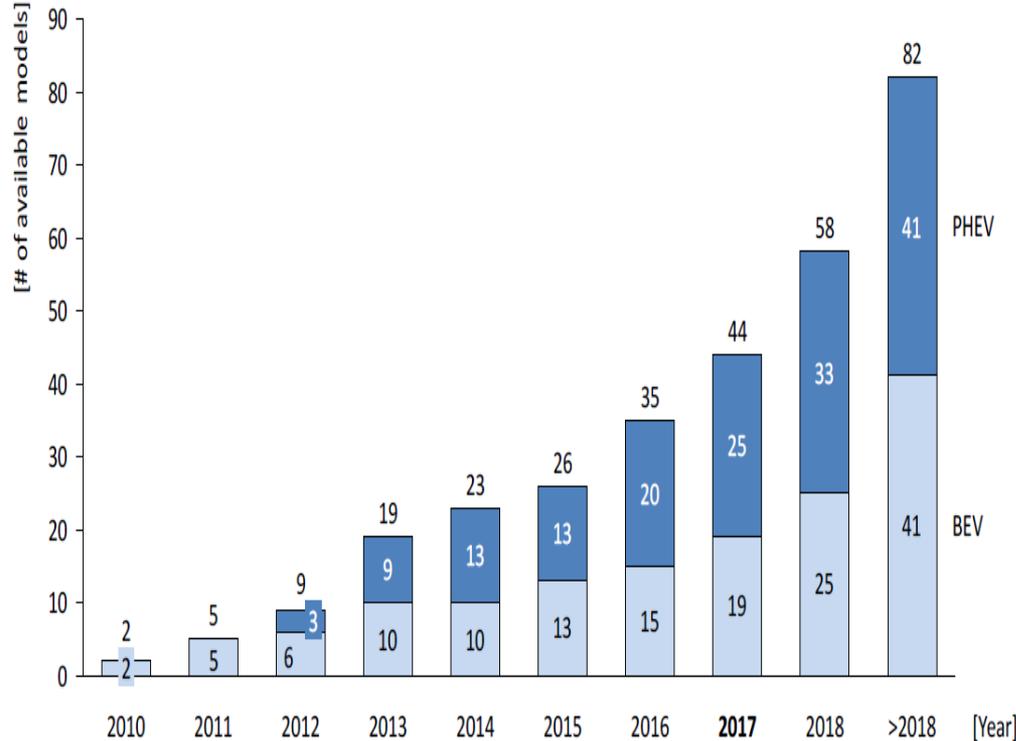


Lack of availability of zero and low-emission vehicles

There is a significant consumer demand for zero and low-emission vehicles

But:

- Not enough diversity of models
- Not enough “real-market” availability
- “fossil-fuel favouritism” in the showrooms
- Problem of delivery times



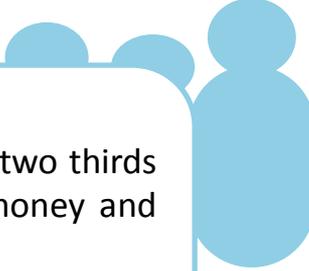
How to encourage the uptake of zero-emission vehicles

What policy makers must deliver

Having the most fuel and energy efficient cars available on the market will not happen by itself. Decision makers need to ensure that industry is incentivised and given certainty by way of setting clear rules and regulations:

- EU post 2020 policies to decarbonise and improve the fuel efficiency of cars should be ambitious and ensure that manufacturers invest in new technologies.
- Policy makers must push for an EU NEDC equivalent fleet wide CO₂ average emissions level of at least 70g CO₂/km for 2025 and 45g CO₂/km for 2030. This will benefit consumers through reduced fuel and energy consumption.
- Between 2020 and 2030, there will be less need for governments to offer high-cost purchase price incentives for ultra-low carbon vehicles. Modest benefits, such as lower circulation taxes, should be sufficient.
- Policy makers at every level need to recognise that passenger car decarbonisation strategies can also reduce air pollution and in turn protect human health.
- Further action is needed on the deployment of charging infrastructure and understanding of battery durability, and its impact on the used electric vehicle market.

New energy services: Getting consumers on board



When asked about time of use tariffs, two thirds of German consumers want to save money and fear having to pay too much.

Variable Stromtarife Aus Verbrauchersicht. VZBV. November 25, 2015

Only four in ten consumers agreed that the electricity bills were easy to understand.

Second consumer market study on the functioning of the retail electricity markets for consumers in the EU, 2017.

✓ **Not just for techies**

✓ **A matter of choice**

✓ **Don't forget the vulnerable**

New energy services: getting consumers on board

Conditions for consumer engagement

Information:

- ✓ Clear, independent, transparent information
- ✓ Awareness raising about energy system changes, new services/offers, smart meters

Safeguards:

- ✓ Voluntary participation
- ✓ Non-variable tariffs should always be available
- ✓ Those that do not participate are not penalised
- ✓ An override function that does not penalize participating consumers
 - ✓ Targeted measures for vulnerable consumers
- ✓ Regular distributional analysis of the impact of new offers and services on different consumer groups

Control:

- ✓ Single contact point for troubleshooting and customer support
- ✓ Independent redress mechanisms, including the settlement of disputes involving suppliers from different sectors
 - ✓ Privacy

Benefits:

- ✓ Considerable financial incentives
- ✓ NRA and competition authority intervention when wholesale and retail price components do not follow the same patterns
 - ✓ Financial incentives to access enabling technologies
 - ✓ Data portability



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Thank you for listening
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