

# **COVID** and e-Mobility:

how will the virus impact the green mobility agenda in the UK and Europe?

# 18<sup>th</sup> June 2020, 10:30am

Part 2 of the REA's annual EV Experience conference





# Agenda

**Presentations from:** 

- Dean Hedger, New Business Development Manager at The AA
  - on how COVID will impact driving and purchasing patterns in the future.
- Christoph Domke, Senior Director at FTI Consulting
  - on the recently released national and EU-level green recovery packages.

Followed by comment and discussion with:

- Fiona Howarth, Chief Executive at Octopus Electric Vehicles
- Sam Clarke, Chief Vehicle Electrification Officer at Griderve
- Robert Llewellyn, Presenter at the Fully Charged Show

Chair: Daniel Brown, Policy Manager & EV Lead at the REA



# Dean Hedger, New Business Development Manager at The AA

• on how COVID will impact driving and purchasing patterns in the future.



# COVID-19, GREEN MOBILITY & THE NEXT STEPS FOR EV

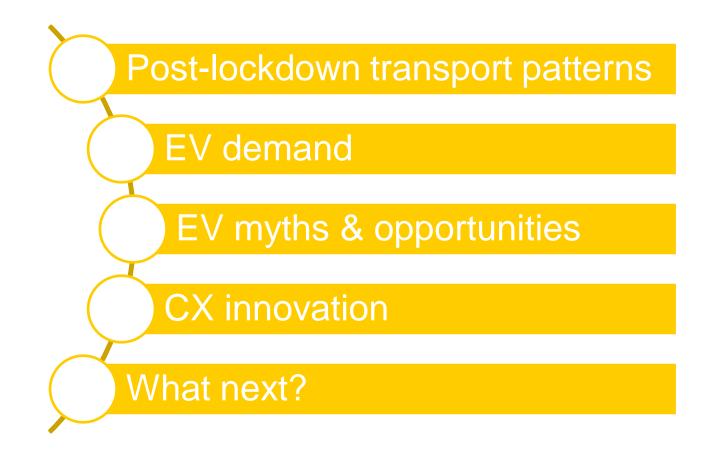
Dean Hedger

EV New Business Development Manager



theAA.com





# TRANSPORT PATTERNS

People have enjoyed quieter streets and cleaner air so more may opt for electric cars, cycles, e-bikes and scooters after lockdown

- Four fifths of drivers (82%) will take action to maintain cleaner air after lockdown
  - Half say they will walk more
  - Two fifths will drive less
  - One fifth (21%) will cycle more
  - Around one fifth (18%) will buy an EV
  - A similar number (17%) will buy hybrid



Post-lockdow

# EVS, THE UK MARKET & THE AA

### EVs in the UK Market

- There are almost 300,000 electric cars and vans operating on UK roads
- EV variants across all types of model and body style, with a large range of brands and classes now available
- EV car sales haven't suffered same sharp drop as conventional; cumulative 2020 market share for BEV+PHEV is 7.2%
- BiK was removed from BEVs from 6 Apr 2020, boosting demand

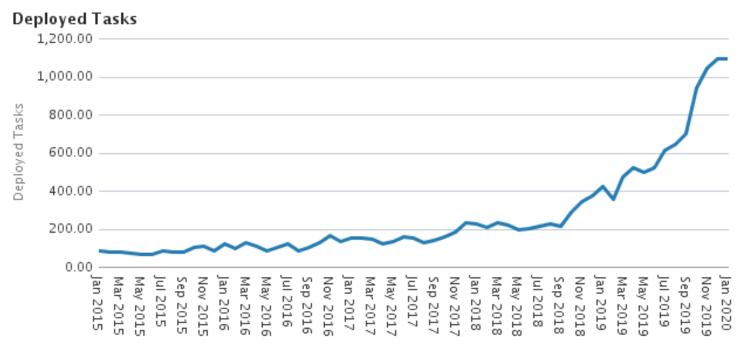
EVs and the AA roadmap

- We believe organisations should invest in EV and other future fuels – so long as the investment stacks up
- We agree charging infrastructure deployment should be rapidly accelerated
- We feel it should be easier for fleets and businesses to buy EV and other future fuels – product, infrastructure, finance, advice
- We believe we have a role to help businesses and fleets on this journey

EV demar

# **EV BREAKDOWNS**





Month

# **EV VS. ICE BREAKDOWNS**

### Tyres will always be an issue

- Tyres and 12V battery similar to total breakdown stats (29%)
- Tyres will continue to be an issue due to lack of spare wheels and weight in an EV
- HV battery out of charge (4.5% of all jobs) is similar to running out of petrol/diesel (1.1%) but more prevalent!

Fault Type	% Total breakdowns
Tyres	16.5%
12v Battery*	12.4%
Charging equipment	4.9%
Out of charge	4.5%
HV Battery fault	4.3%
All other HV faults	5.4%



# **EV BREAKDOWNS BY GEOGRAPHY**

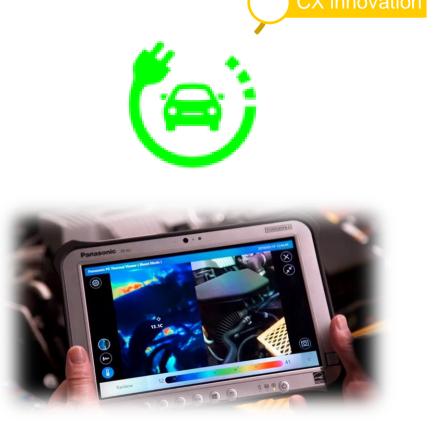


- Driven by Government legislation on emissions – CAZs, ULEZs and so on
- Which drives investment in infrastructure i.e. more charging points in cities
- How we use this data? To forecast future car parc changes and prioritise training
- Our approach: An EV capability which is ready to scale in line with UK EV growth

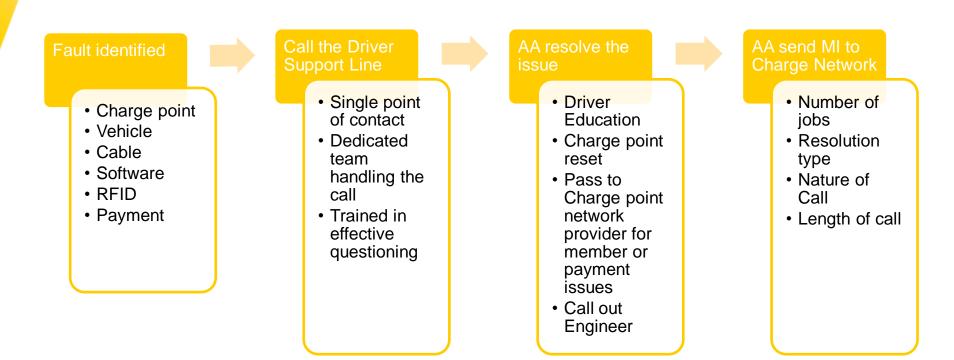
Location	EV breakdowns	All breakdowns
London	29%	18%
Birmingham	2%	7%
Manchester	2%	5%
Edinburgh & Glasgow	2%	5%

## WHAT'S HAPPENING NOW?

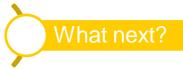
- Training all patrols to complete training (mapped to IMI Level 2) in 2020
- Investment in technology and equipment including specialist EV gloves and new tablets with thermal imaging cameras
- Responding to market demand and developing our strategy to scale in line with industry requirements

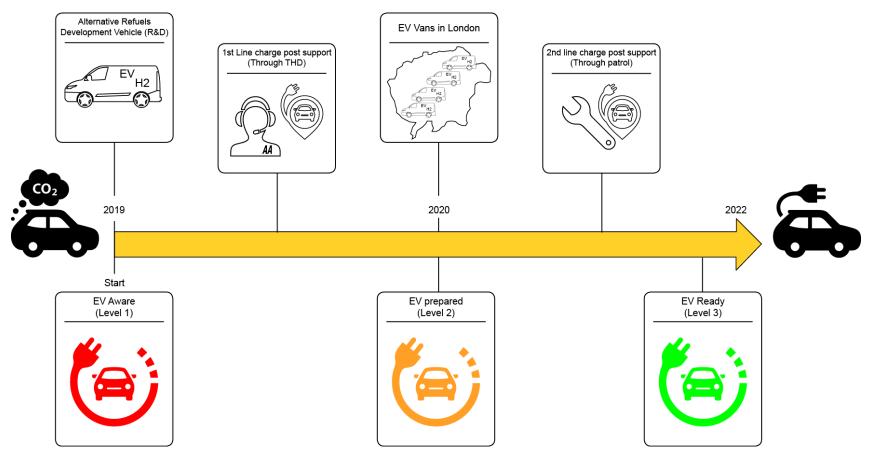


# **ELECTRIC VEHICLE CHARGE POINT SUPPORT**



# **OUR FUTURE FOCUS...**





# **THANK YOU**

# Presentation

# **Christoph Domke, Senior Director at FTI Consulting**

• on the recently released national and EU-level green recovery packages.







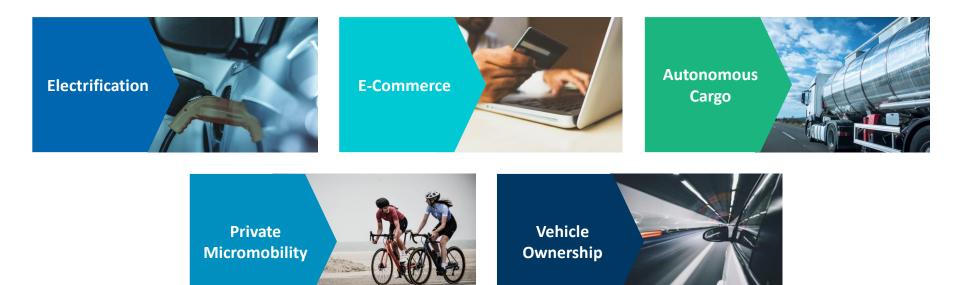


18<sup>th</sup> June 2020



COVID-19

### Who are the major winners in mobility, amid/post Covid-19?





COVID-19

### Who are the major losers in mobility, amid/post Covid-19?

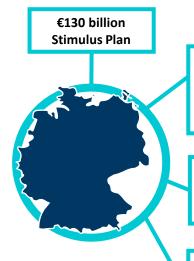




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FIND OUT MORE

# Germany has a comprehensive recovery plan, that invests significant amounts in R&D, infrastructure and EV purchase subsidies



#### Infrastructure

- Require every gas station in the country to install EV charging stations
- €2.5 billion set aside for battery cell production and charging infrastructure

#### **Research & Development**

- €1 billion for R&D into future technologies and processes, in 2020 and 2021
- €1.2 billion to help spur low emission buses and trucks

#### **Electric Vehicles**

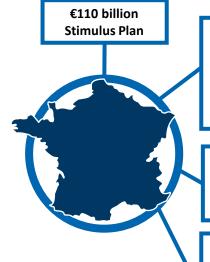
- Doubling of the EV purchase subsidy to €6,000\*, and a (temporary) 3% cut to VAT
- 0.25% tax rate for corporate fleet EVs now applies to vehicles costing up to €60,000 (up from €40,000)

#### **Market Summary**

- Germany today boasts a respectable 2% of EVs, and EV sales in absolute terms are the highest in Europe
- Germany currently has an impressive 35,000 charge points
- The new requirement for every gas station to have an EV charger should be a significant step in defeating range anxiety
- Germany's recovery package especially stands out in terms of R&D investments

\*For vehicles costing less than €40,000

### France's Recovery Package is ambitious, and focuses on significant EV purchase subsidies



#### Infrastructure

- €8 billion total package to automotive sector, with goal to bring EV and hybrid production up to 1 million per year
- Acceleration of EV charger deployment, to reach 100,000 throughout the country in 2021 instead of 2022

#### **Research & Development**

■ €600 million fund to support innovation and R&D specifically in the French automotive industry

#### **Electric Vehicles**

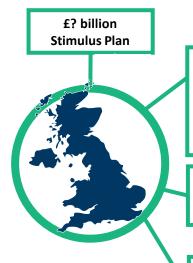
- New EV purchase subsidy of €7,000 (up from € 6,000), with an additional 'conversion bonus' of €5,000 (€12,000 total). For corporate EVs, this has gone up to €5,000
- €2,000 grant for purchases of PHEV, with the same conversion bonus also available

#### **Market Summary**

- France's EV transition is on-par with with a 2.1% EV adoption rate
- France has a decent 30,000 charge points, but this is quite low in terms of area density
- France's Covid-19 recovery packages have an ambitious goal of 100,000 charge points by 2021
- In addition, its new purchase subsidies are almost twice their German counterparts
- The French EV market has proved very resilient, with plug-in sales reaching almost 12% of all cars in March, (UK: 7%, Germany: 9%)
- As a result, France is already seeing the early signs of an EV boom

FIND OUT MORE

### The United Kingdom's recovery package is still unannounced, but its recovery is fragile



#### Infrastructure

- EV charge points and hydrogen infrastructure have been flagged as areas that can expect increased spending
- Mayor of London Sadiq Khan has announced he is set to make several parts of central London car-free

#### **Research & Development**

 Green R&D is also expected to receive spending increases

#### **Electric Vehicles**

 Potential scrappage scheme, offering subsidies of £6,000 for EVs and hybrids for customers switching from petrol or diesel vehicles

#### **Market Summary**

- The UK's EV adoption rate is higher than France and Germany's at 2.5%.
- Key issues still facing the UK EV transition include charge-point infrastructure and EV price tags
- The UK's recovery package will potentially address both specifically, although its size is uncertain
- The UK is introducing helpful new regulation like the "green flash" on UK number plates to help drivers with cheap parking and congestion charges
- However, factors like Brexit could disadvantage EVs long-term



### The EU itself has announced a green recovery package



#### Infrastructure

- The EU is aiming for 25% of its recovery plan to be committed to green projects with implementation starting in 2021, with Europe's next 2021-27 budget
- These include 2 million additional EV/hydrogen chargers, as well as grants and loans for EV purchases

#### Italy

 Italy has been considering purchase incentives to 'Euro-6' vehicles, which are far more thermally efficient, although further details are scarce

#### Spain

- Spain is planning a €3.75 billion package for the automotive industry,(diesel and petrol engine cars), which might potentially include EV incentives, to fill in the current purchase subsidy gap
- EV sales are up 3% of total sales in 2020 so far

#### **Market Summary**

- EV numbers have doubled as a percentage of total sales in the EU in 2020, in the wake of Covid-19
- Private investment in EVs in Europe outpaced China's in 2019, at over €60 billion
- An EU directive dictates fleet-wide carbon footprints should average 95g per km by 2021
- The EU plans significant investment for its next budget, including EV chargers and purchasing grants and loans
- However, automotive lobbies have been petitioning the EU for a reprieve in its CO2 standards for carmakers after the impacts of Covid-19



#### **EU RECOVERY PACKAGES**

### **Conclusions**



 Covid-19 has had an overall positive impact on electrification Europe, although some consequences are hard to assess



The UK might see a more fragile recovery due to external factors such as Brexit, although details of its recovery package are not yet available

Germany and especially France have implemented ambitious EV-friendly recovery packages



 The EU is becoming world's number one EV market, helped by tough regulations and generous subsidies



# Experts with Impact ••



# The REA's work in COVID & eMobility

- Regular cross-industry member updates relating to funding and safe working schemes
- EVSE maintenance staff as key workers
- Zap-Map survey on COVID & public charge point usage (April)
  - 98% of public EV charging network operational as before
  - 83% EV users still reliant on their EV for essential travel
  - 24% of respondents 'key workers'
- Current focus: grid connections for new charge points



# Comments

- Fiona Howarth, Chief Executive at Octopus Electric Vehicles
- Sam Clarke, Chief Vehicle Electrification Officer at Griderve
- **Robert Llewellyn**, Presenter at the Fully Charged Show





• **Open Q&A with attendees** – please enter your questions into the 'Questions' box on the GoToWebinar panel



# Forthcoming Webinars

# The future of payments for EV charging:

Debating how consumers and fleets will pay to charge their vehicles by 2030

### 6<sup>TH</sup> JULY 2020

11:00am - 12:30pm

#EVExperience2025

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### How do we stay relevant and compliant when engaging with stakeholders in the post-COVID recovery?

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nsight I communication I impact

At this REA hosted event, we will bring together leading players from across the low carbon sector to discuss the ways in which development planning and community consultation for energy projects can be successfully managed in a socially distanced society.

Speakers Include: Daniel Brown, Policy Manager, REA Andrew Turner, Infrastructure lead, Madano Patrick Robinson, Partner, Burges Salmon, Energy and Infrastructure practice

#### 10.30 - 11.30 Friday 10th July 2020

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Webinar Please register for joining information



