

## DCP 420

### ‘Include Car Charging Stations in the Definition for Non Final Demand’

#### COLLATED RFI RESPONSES WITH WORKING GROUP COMMENTS

Company	Confidential/ Anonymous	<p>1. Are you aware of any other organisations experiencing the same issues as the example provided in DCP 420? (For example, have you heard from existing fast EV charging operators with similar issues or perspective operators looking at the viability of operating such sites?)</p> <p>If so, please provide examples for analysis by the Working Group.</p>	Working Group Comments
Drax	Non-Confidential	No. Having engaged with relevant colleagues within our organisation, we’re not aware of any councils or organisations generally that have expressed that high fixed residual charges as a consequence of the Targeted Charging Review (TCR) have made the installation of EV charging stations commercially unviable.	Noted.
EAN	Non-Confidential	<p>Yes, EAN has been contacted by one fast charging operator with similar issues but it’s important to state that we currently work with over 20 fast charging operators. The issue is understood to be the impact of the TCR banded tariffs that were introduced after their business plans and forecasts had been finalised. We have not been approached by any Local Authorities.</p> <p>It should also be noted that other end customers have expressed concerns since the introduction of the banded tariffs and the impact to their financial models so the issue is not just restricted to EV charging operators. All are commercial entities and their short-term profit appears to be the issue and therefore we do not believe a tariff solution is appropriate</p>	One member stated that the term ‘fair’ has recently been discussed by Ofgem, and the outcome is that fairness related to the impact that is had on the network – i.e., the larger the impact on the network, the larger the charges should be to be fair.

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		<p>It appears the majority of the fast charging operators are taking a long-term electrification of transport view on charging and they will have a breakeven or payback point based on capex and opex. Others it would appear have a much shorter view and require payback periods to be shorter, this is a commercial decision and not something tariffs should regulate.</p> <p>EAN are concerned that classing EV charging operators as ‘Non Final Demand’ (NFD) sites to enable a ‘no residual’ TCR tariff would discriminate against other customers – those customers who are also experiencing issues with high energy costs. It was tabled that the EV charging operators could argue that they are supporting the government’s Net Zero programme but that begs the question whether other customers who also consider their businesses to be supporting Net Zero to therefore qualify for NFD e.g. solar panel manufacturers, battery storage manufacturers or EV production sites. It would set a dangerous precedent to allow one type of customer to qualify as a ‘Non Final Demand’ site and not others.</p> <p>A potential solution would be to offer a ramping up of capacity as the utilisation at site grows however this may not be technically possible for all.</p>	
ENWL	Non-Confidential	We are not aware of any other organisations experiencing the same issues.	Noted.
NPg	Non-Confidential	We are not currently aware of any fast EHV customer that are facing these issues.	Noted.

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OPN	Non-Confidential	No.	Noted.
SPEN	Non-Confidential	We not aware of any in relation to queries or on any of the discussions with the Transport Department / MSAs etc.	Noted.
UKPD	Non-Confidential	<p>Most organisations applying for EV chargers are selective in which area they decide to install them and we see a few only make “destination charging”. This is typical of any type of entity making any form of commercial decision.</p> <p>We have had a recent example of a developer ask us for a ramping up profile for its charging “hub” , as a temporary solution and while the site grows.</p>	Members discussed using a ramping up profile as a temporary solution and agreed this may help resolve the issues in some cases but would not help to resolve the original issue.
UKPN	Non-Confidential	No.	Noted.
<p><b>Working Group Conclusions:</b></p> <p>The Working Group noted the responses and examples provided as these will be beneficial to planning the next steps for this change. An action was also taken to follow-up with the confidential respondent to seek what information (if any) can be published publicly.</p>			

Company	Confidential/ Anonymous	2. Do you have any other comments in relation to DCP 420?	Working Group Comments
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Drax	Non-Confidential	<p>We understand the point raised during workgroup discussions that, unlike other commercial ventures that have more freedom where to locate their EV charging points, councils are required to instal charging points where required within their council area. However, we would suggest that councils may potentially consider engaging with established private organisations which have the experience and skillset to deliver the required infrastructure where it is needed.</p> <p>We are opposed to the proposed change to the definition for Non-final Demand. Proposed changes would give those organisations included with a competitive advantage whereas we support a competitive level playing field which encourages innovation and value for end consumers.</p>	Noted.
EAN	Non-Confidential	No.	Noted.
ENWL	Non-Confidential	We consider car charging stations to be Final Demand Sites.	Noted.
NPg	Non-Confidential	Not at this time.	Noted.
OPN	Non-Confidential	This change proposal will reward EV hub installers that have located their Hubs in viable locations, whilst in the long-term probably failing to protect poorly located EV hubs.	Noted.

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SPEN	Non-Confidential	None.	Noted.
UKPD	Non-Confidential	No.	Noted.
UKPN	Non-Confidential	Its potentially a dangerous president to allow a specific group of customers to be eligible for NFD where they are clearly a demand customer. Oher customer groups might feel they should be eligible for the same treatment. Its not clear which types of EV charge points should be covered, what about a business that has a number of EV charge points? We believe that the DUoS charges are not the correct place to incentivise EVs, there are other schemes to facilitate this already in place.	Noted.
<p>Working Group Conclusions:</p> <p>Members noted that based on responses, there does not appear to be much support for this change.</p>			