



# Electric Vehicle Governance Framework (EVGF)

## Consultation Reply Form

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### RESPONDING TO THIS CONSULTATION

Whether you own an Electric Vehicle (EV), are a business involved in EVs, a public body – or anything else in between – we would be delighted to hear your views. We have posed questions within this form to help get you thinking. Feel free to answer those questions most important to you.

**Please send your completed response form to [strategy@gemserv.com](mailto:strategy@gemserv.com).** Where possible, please provide evidence to underpin your response (for example: references to research papers, details of market experience, products and service offerings).

If you would prefer to speak with us directly about your thoughts, please email the address above or call us on 020 7090 1001.

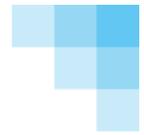
### RESPONSE DEADLINE

**We invite you to respond to this consultation on or before 18 April 2019.**

### HOW YOUR RESPONSE WILL BE USED

Responses to this consultation will be used to inform our thinking and may be published as part of a high-level summary of consultation responses. **If your response contains any confidential information, please indicate this on the next page.**

Gemserv will process all personal data in accordance with the General Data Protection Regulation (GDPR).



## Respondent details

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Confidential information	
<b>Does your response contain any confidential information?</b>	
<b>Response</b>	No
<p>[If 'YES', please note here any questions answered with confidential information and clearly mark all confidential information contained in your response(s) (e.g. in red font)]</p>	



# Consultation Questions

## Question 1 – The challenges ahead

**So far, the uptake of EVs has been lower than expected. To what extent do you agree that industry (as opposed to government) needs to provide leadership in accelerating the uptake of EVs?**

*As part of your response, please expand on feasibility and limitations of the legislator/regulatory to deliver market conditions that scale up business, compared to the role of industry. Please also note what you believe the role of the legislator or regulator should be.*

Both Government and industry have important roles to play in providing leadership in the transition from internal combustion engine vehicles to EVs.

Government has a key role to play in setting the direction of travel and kickstarting a market through appropriate time-limited support and an even-handed regulatory regime. Government support to date, both for the upfront cost of vehicles and charging infrastructure, has been crucial in encouraging the uptake of EVs. Going forwards, clear signposting on the future of subsidy and changes to the tax regime will be key to maintaining investor and consumer confidence. Indeed, the government has directly refused to enact a simple taxation measure of reducing benefit in kind tax early, something that is likely to have had a positive and immediate impact on vehicle supply. Once vehicle supply increases, infrastructure provision by the private sector follows. Regulation is also tremendously important and has contributed significantly to cutting the emissions of new cars and is expected to continue to play a vital role in setting appropriate market frameworks.

Beyond these areas, it should largely be left to the private sector to bring forward attractive customer propositions, develop successful business models and innovate to deliver on the ambition outlined by Government. Standards development, for instance, should be left to industry as much as possible. Premature government-led standardisation of hardware, software, and communications may produce regulatory lock-in, predetermining the path of EVs and smart charging in ways that will stunt development of the EV industry and technological innovation.

## Question 2 – The challenges ahead

**To what extent do issues relating to interoperability between technology choices/service delivery processes pose a barrier to the large-scale uptake of EVs?**

*As part of your response, please indicate the three most important challenges to overcome when considering interoperability.*

As part of our work leading Work Package Two of the EV Energy Taskforce (EVET), Energy UK is acutely aware of the importance of delivering a positive user experience. Issues surrounding interoperability must be framed in this context. The current user experience for EVs and EV charging is imperfect however this is to be expected of such a nascent sector.

New business models and customer offerings are constantly being brought forward and the sector is already making clear inroads and will continue to converge as the market establishes itself, with existing policy and regulation complimented by rising standards driven by increasing competition. Ad-hoc access, for instance, is already possible following the introduction of the Alternative Fuels Directive. Crucially we must



avoid heavy handed interventions that stifle innovation or restrict competition, as this could hinder the uptake of EVs.

We must also be mindful of the fact that automotive manufacturing operates on a global scale. Any unilateral moves from the UK that run counter to global trends or create additional burdensome requirements would make the UK market less attractive. In a worst-case scenario this could result in EVSE and EV manufacturers restricting their product offerings or withdrawing from the UK.

The EVET – in that it brings together a cross-section of EV stakeholders – has a key role to play in building a consensus and identifying effective and actionable next steps to improve the user experience. Prior to the EVET’s final report, the findings of the Energy Data Taskforce will be published and will also be very important in taking forward interoperability at a whole system level.

We would caution against undertaking any significant work to build a governance framework for EVs seeking to tackle technical interoperability ahead of the conclusion of the work of these two taskforces. Instead, as outlined in response to question 17, we suggest the focus be on setting up a repository of all existing frameworks, codes of practice, technical standards and any other requirements. This is in itself a considerable undertaking but would deliver immediate value as a first step as well as enabling further action at a later date.

### Question 3 - The challenges ahead

**What trends in EV charging (e.g. wireless charging, digital integration) do you think will become more embedded over time?**

*Where possible please support your statement from a customer and/or supply chain perspective.*

We can expect to see increased bundling of services, including vehicles, energy supply, smart appliances, home energy management systems, etc. A number of Energy UK members are already offering bundled service packages. More generally we can expect more integrated service offerings covering the different parts of the EV value chain and providing a more seamless user experience. We are starting to see this today and can expect increasingly personalised offerings coming to market that are tailored to individual preferences, catering to mainstream adopters’ needs and expectations. We may also see rapid and ultra rapid charging hubs, which are already under development today

### Question 4 – What is needed to drive the market?

**From an EV market-level perspective, is there a disconnect among market participants from different industry sectors?**

*As part of your response, please indicate the key barriers which could potentially hinder your business collaborating with other market participants.*

Electric vehicles straddle two industries that have traditionally worked in separation, the automotive and energy sectors. There is an existent disconnect between automotive and energy sectors that is beginning to be resolved as automotive companies increasingly move into the energy space and vice versa. This increased coordination is apparent in the rise of EV-specific energy tariffs, partnerships between dealerships and energy suppliers, and a range of business models from companies on both sides offering smart EV charging and wider energy services incorporating storage and generation assets.



These previously separate industries have different testing and certification procedures, and in fact are on slightly disparate development paths of data communications systems that could lead to incompatible standards and norms for EVs/EVSEs and more traditional grid-connected devices. This could leave EVs in a position of having incompatible standards from the auto and electric industries which cannot both be met, effectively preventing EVs from achieving true grid integration. Any endeavour, such as the proposed governance framework, that fosters greater collaboration between the sectors can be seen as positive. The other work programmes listed in response to question 18 will also be important to bringing together the different EV market participants.

### Question 5 – What is needed to drive the market

**Do you think there is a need for a cross-sector initiative for governance and accountability?**

*If 'yes', please indicate in your response who you feel should be responsible for driving this?*

**Response:** Neutral.

Industry-led work to improve governance within the EV sector would broadly be a positive development, however we are unclear of what purpose and reach such an initiative could hold at present. It will be important to avoid creating an additional industry body if this would duplicate existing work. Duplication would result in wasted resources and potentially conflicting messages to policy makers and consumers.

There is a need for further gap analysis, and a need to ensure that any governance added to industry does not impact market growth, in particular through the addition of unnecessary costs. Please see our response to question 17 for a more detailed response on the scope of the proposed EVGF.

### Question 6 – What is needed to drive the market, and Electric Vehicle Governance Framework

**Will a common governance framework substantially improve the potential for market growth in the context of scaling up new products and services, as well as reducing the time from innovation to commercialisation?**

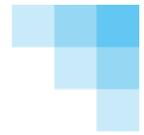
**Response:** Neutral.

There is a risk that introducing additional administrative steps delays the innovation to commercialisation process, therefore increasing the length of time it takes to bring new products and services to markets. This would have a negative effect on competition and therefore hinder growth in the market. Please see our response to question 13 below for further thoughts on this process.

### Question 7 - Electric Vehicle Governance Framework

**What are the top three issues an EVGF needs to resolve to be of value to your business?**

Please see our response to question eight below.



#### Question 8 - Electric Vehicle Governance Framework

**Based on the EVGF being developed by industry (and taking into account the issues noted in your response to question 4) how could an EVGF best provide guidance and governance to support the development of the EV market?**

*As part of your response, please indicate how you think the EVGF will deliver value to your respective industry?*

The EVGF can initially add most value by creating a central repository that brings together industry rules, customer protections, codes of practice and all other regulatory requirements that relate to the EV market. The repository could then add further value by performing a gap analysis to understand where regulation or governance might be lacking.

Where such governance is lacking, overarching frameworks could enable standardisation across the market, ensuring that more restrictive regulatory intervention is avoided and the market can continue to innovate and evolve.

We would stress that before any attempts are made to introduce an EVGF there must be clear evidence of need, as we outline in response to question 10 below.

#### Question 9 - Electric Vehicle Governance Framework

**Broadly, what are the key benefits of an industry-led EVGF?**

*As part of your response, please indicate the risks of its absence?*

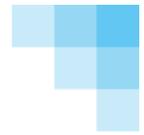
Potential benefits of an industry led governance framework include a flexible and agile governance process, developed positions may be more representative of industry views, and that these are less politicised and better grounded in the realities of the EV industry. Technology is developing faster than policy, regulations, or market structures can adjust in traditional ways. Efforts to get ahead of technological development can result in regulatory lock-in, pre-determining the place that EVs will have in the energy ecosystem based on current perceptions of the technologies involved. Overall industry is better placed to project appropriate regulatory pathways, leaving open as much space as possible for innovation and course correction.

Key potential disadvantages of being an industry led process include the risk that it may not be possible to reach consensus. Further to this, there is a chance that all stakeholders may not have equal opportunities to engage if the resource commitment is too large, making decisions unenforceable. Please see our response to question 16 for more detail on the final point. As referenced in response to questions 17 and 21, an industry-led process raises questions around funding and would likely have a greater industry resource requirement associated with it, both in terms of funding the administration of the EVGF and feeding into the work.

#### Question 10 - Electric Vehicle Governance Framework

**Broadly, what areas do you feel are better served by an industry-led EVGF rather than legislation?**

*As part of your response, please indicate the key benefits of an industry-led governance framework compared to relying on legislation/regulation?*



Please see our responses to question 9 and 16.

While an industry-led EVGF may be an effective way to progress issues of importance to the sector, it is vital that the development of any additional governance is based on evidence of need. Work must be undertaken to assess existing governance frameworks before further work is pursued. This will inform whether further work is needed and in which areas.

Government should remain technology agnostic as much as possible. Industry should lead standards and business model development at an appropriate pace that will then inform new and more appropriate market structures.

#### Question 11 - Electric Vehicle Governance Framework

**How does an industry-led EVGF need to collaborate with the legislator/regulator to balance the light touch legislative measures while delivering necessary market governance?**

Building on the work of the EVET and the Energy Data Taskforce, having set up a repository of existing EV governance and established a need for additional work, the EVGF may work as a way for industry to agree and recommend effective courses of action to Government and the regulator.

The gap analysis work, combined with discussions with Government, would identify what area of governance should be prioritised. The framework could then provide a forum for industry discussion of these areas, and where possible could form an industry consensus of appropriate frameworks to fill the need. This would enable industry to pre-empt restrictive regulation and send a clear signal of what action might be needed from Government and / or industry, setting out recommendations or frameworks as appropriate. We would however highlight the importance of avoiding the duplication of work: work being progressed, for instance by the EVET, is largely intended to do the above.

#### Question 12 - Electric Vehicle Governance Framework

**What are the top three categories of information you believe should be made available on the EVGF digital platform?**

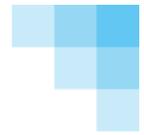
*As part of your response, please also indicate the three most important functionalities of such a platform.*

Please see member responses.

We suggest that the EVGF would add value if it were to improve visibility of network capacity, including applications for network upgrades to assist in network planning and optimising private investment in power upgrades.

#### Question 13 - Electric Vehicle Governance Framework

**If you were launching new products and services to market, how quickly would you need use cases supporting your business plan to be industry endorsed?**



There is currently a high level of innovation and competition in the EV sector, offering customers significant choice in products / services and providers. Competitive market forces are the most effective way to ensure that this continues. Any new initiatives that put in place additional requirements ahead of a product launch must be clearly justified, with the benefits clearly outweighing the costs.

We would also highlight that any use case endorsement process would have to be very carefully managed to avoid commercially sensitive information being shared.

#### Question 14 - Electric Vehicle Governance Framework

**What other market participants could play a part in the EVGF (e.g. via inter-dependencies) that you believe have not been adequately represented in this consultation document?**

As identified from other work programmes that Energy UK is involved in, apart from work being undertaken by Citizens Advice there is no UK-wide end consumer representation like the EV Owners' Associations in Norway. This makes it more challenging to get a full understanding of user wants and needs. There is a further need to ensure that the many customer segments, from fleet operators to individual consumers, and their many subcategories are effectively represented. The views of the EV Association Scotland should be sought as part of any work to develop a governance framework while recognising that their views will not necessarily be representative of all UK EV users.

There is also a risk that smaller chargepoint operators and other SMEs may not have the capacity to contribute to this work in an effective manner.

#### Question 15 - Electric Vehicle Governance Framework

**The EVGF aims to create a level playing field for all market participants and maximise the overall economic benefit at a national (and potentially global) level. To that affect, do you agree that only market participants who are participating in a use case need to be involved in EVGF endorsement and the compliance of applicable products and services?**

While trade associations may not be direct participants in a given use case they may have valuable input so there should be mechanisms for their involvement in some form. We do however agree that those best placed to shape the detail of the use cases will be the organisations that are directly involved in those activities.

We would also flag that with the pace of change in the EV sector being so rapid, participants that are not currently directly involved in a use case may quickly become so. While identifying effective engagement methods for these types of organisations may be difficult it should be borne in mind when deciding who should and should not be involved in any given piece of work. This links to the point made in response to question 13: it will be vital to avoid an EVGF hindering the innovation to commercialisation process, this includes both the launch of new products and new participants entering the market.

#### Question 16 - Electric Vehicle Governance Framework

**What is your view on compliance with the EVGF (e.g. which areas should be voluntary or mandatory, legislated, industry-mandated etc)?**



Energy UK does not believe that the EVGF should initially seek to be anything other than a voluntary framework. As explained in response to question 10 and 17 we believe that the framework will add the most value in the creation of a central repository of existing standards, industry rules, code of practice, etc. and the associated analysis of areas in need of further protections or standards.

The EVGF could help avoid heavy handed intervention or the introduction of blunt instruments however in some instances the decision must lie with Government. Where priority areas are identified; it is very difficult to reach consensus; there is a high risk of customer detriment; or there is low buy-in from industry participants, the issue should be referred to Government to take appropriate action.

## Question 17 - Electric Vehicle Governance Framework

### What is your view on the proposed EVGF forum and digital platform principles as well as industry representation, scope, governance, and content for the framework itself?

- **The principles** seem broadly sensible. The only additional principles that Energy UK would suggest are additionality and for the framework to be proportionate. As we explain in reference to the scope below, the framework should not duplicate work that is already underway or that is, or is expected to be, adequately provided by the market. Further, the framework should be proportionate to the issue(s) that it is seeking to address and should be in response to a clearly identified and proven need for intervention.
- **Industry representation:** little detail is provided in the consultation document on what this might look like, who would sit on the steering group and how this might be agreed hence it is difficult to comment. We would advocate for a range of representatives to be involved and would highlight the importance of making sure that decision making processes and participation is accessible to smaller parties, as referenced in response to question 14.
- **Governance:** we would welcome greater clarity on how the EVGF might be governed. A forum of market participants would be useful however we are unclear who this might be made up of, as referenced above, and are unclear how the forum would interact with the Steering Group, referred to in paragraph 34. The respective responsibilities of these two groups and an outline of the process to populate these groups would be valuable. As referenced below and in response to question 21, questions around funding will also be important.
- **The scope** of the EVGF, as outlined in paragraph 27, is wide and while these functions may add value it remains unclear whether it is appropriate to seek to carry them out at present. The suggested work programme risks duplicating existing work, as explored in response to question 18. Energy UK believes that the most valuable and realistic function for the EVGF at present is to create and maintain a central repository of industry rules, standards, codes of practice, etc. alongside functionality that allows a user to see what applies to them based on their use case. We believe that the first version of the framework should take this form, with the second iteration to identify where regulatory gaps exist. This second iteration would also be a useful tool to inform regulations and the policy making process. We do not believe that creating a marketplace for buying and selling goods and services is useful or appropriate, as this would duplicate activity already underway in the market as well as making the platform a commercial platform, confusing the purpose and causing potential conflicts. This would therefore not abide by our proposed principle of additionality.
- **The content**, as outlined in paragraph 28, is potentially very wide which may hinder delivery. It may be more practical to focus on a smaller subset of issues where success is likely – and genuine need identified – getting industry and Government buy-in by effectively tackling those areas then moving on to thornier issues, once processes are established and participation secured. Consumer



protection, customer service standards and quality provisions are particularly important for less established sectors and will be important to build confidence and drive the EV uptake.

- **Funding** – As mentioned in question 21, it is not clear how the EVGF will be funded. Market participants will need the EVGF to demonstrate clear benefits and robust governance if they are expected to bear the cost. Given the wide range of market participant types and sizes in the EV sector there could be challenges in coming up with a fair funding structure.

#### Question 18 - Electric Vehicle Governance Framework

**Are you aware of any other initiatives like the EVGF that would be able to provide industry-led governance in complex scenarios?**

As Gemserv is aware there are an array of existing processes and work streams that need to be factored in, this includes but is not limited to:

- The EV Energy Taskforce
- The Energy Data Taskforce
- The EV Infrastructure Taskforce
- The Open Networks Project

As argued elsewhere in this response, it is vital that any work to progress an EVGF fully integrates existing work in this space and avoids duplication.

#### Question 19 - Electric Vehicle Governance Framework

**In addition to consumer protection legislation, how could an industry-led EVGF help build consumer confidence in EVs and enhance the customer's experience?**

The EVGF could add most value by allowing market participants to do what they do best: provide competitive products and services to their customers, on the basis of which they succeed or fail.

An EVGF could also be useful in bringing together existing education and information sources for consumers and businesses around EVs and charging to help demystify and remove barriers to adoption through the promotion of best practice.

#### Question 20 - Electric Vehicle Governance Framework

**What future challenges do you think may arise in the EV market that could fall within scope of the EVGF (either in its initial development, or a future version)?**

Data privacy, protection and ownership is a key issue being explored as part of EVET. While GDPR provides key protections to consumers, additional measures may be needed to ensure that consumers can understand who accesses, shares and owns data relating to their vehicle.

#### Question 21 - Electric Vehicle Governance Framework



**Do you have any further comments on the EVGF?**

We would welcome further detail on how the EVGF is sustainably resourced and paid for. If the EVGF has a very wide remit then this would be challenging both in terms of the cost of maintaining it and the time commitment from participants, which may exclude smaller participants and deter many, resulting in the loss of valuable insight.

As articulated in response to questions eight and 10, it is important that the creation of an EVGF is in response to a clear and proven need. Any EVGF would need to have clear objectives and avoid duplication of existing work.