

UPEI Position

Amendments to the Proposal for an Alternative Fuels Infrastructure Regulation

UPEI, Europe's Independent Fuel Suppliers, has carefully read the European Commission proposal of 14 July 2021 to replace Directive 2014/94/EU by a new Regulation, and the draft report presented to the TRAN Committee by its Rapporteur MEP Ismail Ertug on 14 February 2022.

Building on its [position paper](#) of 26 October 2021, it proposes (A) the following amendments to the Commission proposal and (B) asks for the deletion of amendment n°81 tabled by MEP Ertug.

These amendments and request for rejection are based on the following arguments:

UPEI considers that precluding the use of a wide range of technological solutions in light transport means undermining the attractiveness and economic sustainability of investments in *low carbon* fuels (liquid and gaseous, of renewable and/or synthetic origin). In the absence of a favourable regulatory environment and a scalable *business case*, the research and development of all *low-carbon* fuels risks running aground, also jeopardising the decarbonisation of heavy transport, the navy, aviation and other *hard-to-abate* sectors.

Bringing technological neutrality back to the heart of the Fit for 55 package should be a priority because:

- It would make it possible to maximize the reduction of climate-changing gas emissions in a cost-efficient way, through the use of all the technologies already available and even new, more performing solutions (for example, CO₂ capture and storage/reuse technologies);
- It would allow the spread of low-carbon fuels, the costs of which can only be reduced by exploiting economies of scale, or if they can also be used in light transport;
- It would increase European energy resilience and independence, making it possible to diversify the energy mix and supporting European production value chains;
- It would be in line with the guidelines, already expressed by the market, aimed at achieving carbon neutrality while retaining European thermic engine technologies, jobs and industrial expertise;
- It would restore coherence and balance between supply-side policies on alternative fuels and those on the demand side.

In addition, adopting a technologically neutral approach would mean recognizing and making the most of the potential of low carbon fuels, which:

- They can fully contribute to the decarbonisation of all sectors;
- They are based on already mature and reliable technologies;
- With particular reference to the transport sector, they can be used in vehicles already in circulation, without the need to make any changes (especially in the case of the use of synthetic fuels, chemically identical to their fossil counterparts, but which guarantee over 90% of *GHG saving*);
- They can take advantage of the existing logistics network and distribution infrastructure;

- They represent an efficient solution for the storage and transport of energy even over long distances;
- In some cases they even have a negative carbon balance, that is, they recover more CO₂ than they emit.

(A) UPEI proposed amendments to the Commission Proposal

Amendment 1 – Article 5

Proposed text	Amendment
<p>2. Operators of recharging points shall, at the publicly accessible recharging points operated by them, provide end users with the possibility to recharge their electric vehicle on an ad hoc basis using a payment instrument that is widely used in the Union.</p> <p>To that end:</p> <p>(a) operators of recharging points shall, at publicly accessible recharging stations with a power output below 50 kW, deployed from the date referred to in Article 24, accept electronic payments through terminals and devices used for payment services, including at least one of the following:</p> <ul style="list-style-type: none"> (i) payment card readers; (ii) devices with a contactless functionality that is at least able to read payment cards; (iii) devices using an internet connection with which for instance a Quick Response code can be specifically generated and used for the payment transaction; <p>(b) operators of recharging points shall, at publicly accessible recharging stations with a power output equal to or more than 50 kW, deployed from the date referred to in Article 24, accept electronic payments through terminals and devices used for payment services, including at least one of the following:</p> <ul style="list-style-type: none"> (i) payment card readers; (ii) devices with a contactless functionality that is at least able to read payment cards. <p>From 1 January 2027 onwards, operators of recharging points shall ensure that all publicly accessible recharging stations with</p>	<p>2. Operators of recharging points shall, at the publicly accessible recharging points operated by them, provide end users with the possibility to recharge their electric vehicle on an ad hoc basis using a payment instrument that is widely used in the Union.</p> <p>To that end:</p> <p>(a) operators of recharging points shall, at publicly accessible recharging stations with a power output below 50 kW, deployed from the date referred to in Article 24, accept electronic payments through terminals and devices used for payment services, including at least one of the following:</p> <ul style="list-style-type: none"> (i) payment card readers; (ii) devices with a contactless functionality that is at least able to read payment cards; (iii) devices using an internet connection with which for instance a Quick Response code can be specifically generated and used for the payment transaction; <p>(b) operators of recharging points shall, at publicly accessible recharging stations with a power output equal to or more than 50 kW, deployed from the date referred to in Article 24, accept electronic payments through terminals and devices used for payment services, including at least one of the following:</p> <ul style="list-style-type: none"> (i) payment card readers; (ii) devices with a contactless functionality that is at least able to read payment cards. <i>(iii) devices using an internet connection with which for instance a Quick Response code can be</i>

<p>a power output equal to or more than 50 kW operated by them comply with the requirement in point (b). The requirements laid down in points (a) and (b) shall not apply to publicly accessible recharging points that do not require payment for the recharging service.</p>	<p><i>specifically generated and used for the payment transaction;</i></p> <p>From 1 January 2027 onwards, operators of recharging points shall ensure that all publicly accessible recharging stations with a power output equal to or more than 50 kW operated by them comply with the requirement in point (b). The requirements laid down in points (a) and (b) shall not apply to publicly accessible recharging points that do not require payment for the recharging service.</p>
<p>Justification</p> <p>In order to cost effectively reach the deployment targets set out in the proposal, it is crucial that all players, including independent and smaller companies can enter and compete on the electric charging infrastructure market. Restrictive requirements on payment could create a situation whereby only big and established companies can operate. For example, not allowing operators of public recharging points with a power output equal to or more than 50 kW to accept electronic payment through devices using an internet connection (e.g. with QR code) would exclude the first movers and give undue power to credit card providers, which services are expensive and burdensome.</p>	

Amendment 2 – Article 5

Proposed text	Amendment
<p>4. Prices charged by operators of publicly accessible recharging points shall be reasonable, easily and clearly comparable, transparent and non-discriminatory.</p> <p>Operators of publicly accessible recharging points shall not discriminate between the prices charged to end users and prices charged to mobility service providers nor between prices charged to different mobility service providers. Where relevant, the level of prices may <i>only</i> be differentiated in a proportionate manner, according to an objective justification.</p>	<p>4. Prices charged by operators of publicly accessible recharging points shall be reasonable, easily and clearly comparable, transparent and non-discriminatory.</p> <p>Operators of publicly accessible recharging points shall not discriminate between the prices charged to end users and prices charged to mobility service providers nor between prices charged to different mobility service providers. Where relevant, the level of prices may be differentiated in a proportionate manner, according to an objective justification. <i>Operators may apply different pricing structures depending on the type of customer serviced, in a reasonable and transparent manner</i></p>
<p>Justification</p> <p>Ensuring the return on investment for charge point operator is the best way to boost private investment into electric charging infrastructure. Builders of charge points offer the best conditions to their registered users, which are bound by contracts, based on the type of customers, making the environment more competitive. While ad hoc charging should</p>	

always be accessible, charge point operators should be able to apply different pricing structures depending on the type of customer, in a reasonable and transparent manner.

Amendment 3 – Article 13

Proposed text	Amendment
<p>1. By 1 January 2024, each Member State shall prepare and send to the Commission a draft national policy framework for the development of the market as regards alternative fuels in the transport sector and the deployment of the relevant infrastructure.</p> <p>That national policy framework shall contain at least the following elements:</p>	<p>1. By 1 January 2024, each Member State shall prepare and send to the Commission a draft national policy framework for the development of the market as regards alternative fuels in the transport sector and the deployment of the relevant infrastructure.</p> <p>That national policy framework shall contain at least the following elements:</p> <p><i>(q) measures to promote consumers' awareness on the alternative fuels included in the national policy framework</i></p>
<p>Justification</p> <p>The implementation of the common fuel labelling system¹ has been a success. Surveys and pilot actions undertaken in the context of the Fuel Price Comparison² initiative have clearly shown that its impact on consumers is expected to remain limited. No further step should be taken in terms of communicating alternative fuels at the level of retail stations.</p> <p>However, more awareness raising on alternative fuels is greatly needed. This Regulation should provide for the development of online tools and campaigns to inform consumers as part of Member States' measures to support the uptake of alternative fuels (i.e. demand-side measures).</p>	

Amendment 4 – Article 18

Proposed text	Amendment
<p>2. Operators of publicly accessible recharging and refuelling points or, in accordance with the arrangement between them, the owners of those points, shall ensure the availability of static and dynamic data concerning alternative fuels infrastructure operated by them and allow accessibility of that data through the National Access Points at no cost. The following data types shall be made available:</p>	<p>2. Operators of publicly accessible recharging and refuelling points or, in accordance with the arrangement between them, the owners of those points, shall ensure the availability of static and dynamic data concerning alternative fuels infrastructure operated by them and allow accessibility of that data through the National Access Points at no cost. The following data types shall be made available:</p>

¹ CEN standard EN 16942, "Fuels-Identification of vehicle compatibility-Graphical expression for consumer information"

² COMMISSION IMPLEMENTING REGULATION (EU) .../ ... on a common methodology for alternative fuels unit price comparison in accordance with Directive 2014/94/EU of the European Parliament and of the Council

<p>(a)static data for publicly accessible recharging and refuelling points operated by them:</p> <ul style="list-style-type: none"> (i)geographic location of the recharging or refuelling point, (ii)number of connectors, (iii)number of parking spaces for people with disabilities, (iv)contact information of the owner and operator of the recharging and refuelling station. <p>(b)further static data for publicly accessible recharging points operated by them:</p> <ul style="list-style-type: none"> (i)identification (ID) codes, at least of the operator of the recharging point and mobility service providers offering services at that recharging point, as referred to in paragraph 1, (ii)type of connector, (iii)type of current (AC/DC), (iv)power output (kW), 	<p>(a)static data for publicly accessible recharging and refuelling points operated by them:</p> <ul style="list-style-type: none"> (i)geographic location of the recharging or refuelling point, (ii)number of connectors, (iii)number of parking spaces for people with disabilities, (iv)contact information of the operator of the recharging and refuelling station. <p>(b)further static data for publicly accessible recharging points operated by them:</p> <ul style="list-style-type: none"> (i)identification (ID) codes, either of the operator of the recharging point or the mobility service providers offering services at that recharging point, as referred to in paragraph 1, (ii)type of connector, (iii)type of current (AC/DC), (iv)power output (kW),
<p>Justification</p> <p>Often the owner of a recharging point, if different from the operator, is not involved in its daily operation (it can be a private individual owning the space allocated), hence there is no benefit in making the owner contact information available, in addition to the contact information of the operator</p> <p>It is not necessary to mandate the disclosure of ID codes for both the operator and the mobility service provider, it should be either/or depending on the operating set up.</p>	

(B) Request by UPEI to reject amendment n°81 of the draft Ertug Report

In addition, UPEI expresses a deep concern about the proposals to delete Article 8 of the proposed Regulation (amendment n°81 of the draft Report of 14 February 2022 prepared by Rapporteur Ismail Ertug).

As proposed by the Commission, Article 8 provides that Member States shall ensure that, by 1 January 2025, an adequate number of publicly accessible LNG refuelling points are in place at least along the TEN-T core network to enable the circulation of LNG-powered heavy-duty motor vehicles throughout the EU, provided that there is a demand and unless the costs are disproportionate to the benefits, including benefits for the environment.

Removing such provision would be problematic for UPEI and its members.

It should be noted that the article, which already provides for wide margins of flexibility to the Member States, is essential to ensure the circulation of LNG heavy duty vehicles, as well as to aim for the decarbonisation of transport through the progressive spread of bio-LNG. To date,

in fact, the growth of LNG heavy vehicles (about 31,000 vehicles circulating in the EU) is limited by the lack of a homogeneously distributed supply network throughout Europe.

With reference to bio-LNG, however, the progressive growth of a domestic production chain should be underlined, which, in addition to contributing to European energy security, also boasts excellent environmental performance: a [study conducted in Italy by the CNR-IIA](#) shows that, through a combination of diets and technological solutions, the Liquefied biomethane can lead to a reduction in greenhouse gas emissions of up to 121.6% and a decrease of up to 65% in nitrogen dioxide compared to diesel-powered vehicles.

The creation of a European LNG distribution network must therefore be envisaged a bridge towards the spread of equivalent products of renewable origin.

Therefore, the amendment deleting Article 8 of the Regulation as well as other proposals aimed at restricting the scope of LNG (with the Regulation itself considers to be an asset for the energy transition in the transport sector), appear to be completely unjustified and should be rejected.

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UPEI represents nearly 2,000 European importers and wholesale/retail distributors of energy for the transport and heating sectors, supplying Europe's customers independently of the major energy producers. They are the interface between producers and consumers, using their own infrastructure and flexibility to supply existing demand for conventional and renewable liquid fuels, as well as non-liquid alternatives as part of the energy transition. They cover more than a third of Europe's current demand. The organisation brings together national associations and suppliers across Europe.

Independent fuel suppliers bring competition to Europe's energy market and are able to respond rapidly to changes affecting supply, contributing to security on a local, national and regional level. They have developed and maintain a comprehensive infrastructure for the sourcing, storage and distribution of transport and heating fuels, with a commitment to delivering a high-quality service to all consumers, including those in remote areas.

Since 1962 UPEI has been advocating for a level playing field and fair competition to ensure an affordable, sustainable, and secure energy supply for Europe's consumers. Today, in the context of the transition to a low carbon economy, UPEI and its members are also addressing the challenges of adapting the product range and meeting consumer demand through market-oriented solutions.

With its strong track record in pioneering the supply of renewable fuels in the EU, UPEI's members remain committed to delivering and embracing new, cost-effective solutions which further promote energy efficiency and reduce pollutants and emissions.