

Response to the CMA's Invitation to Comment on the Electric Vehicle Charging Market Study

Company

Rightcharge

An Introduction to Rightcharge

Rightcharge is an online service that helps electric car drivers compare home charge points, see prices from a UK-wide network of dozens of vetted and monitored installers, and compare EV friendly energy tariffs.

We support dealerships and other automotive retailers across the country so that they can give their drivers the ability to compare their home charging options.

Our work is focussed on the home charging sector of the industry.

Written by

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Theme one: developing competition while incentivising investment

1. How is the EV charging sector developing and how will technological or other developments (for example smart technologies) impact sector development and competition?

Our message in response to this Invitation to Comment is that the products available for home charging (both charge points and specialist energy tariffs) have evolved rapidly in the past few years and the market is yet to catch up. The result is that the majority of new EV drivers are not becoming aware of the options available to them.

An assessment of promotions by automotive companies shows that the vast majority of automotive retailers (car dealerships and leasing companies) currently only refer drivers to a single home charge point option. This, we believe, is not due to a lack of will but instead is due in part to the fact that independent, multi-brand partners have only recently emerged in the market, and we hope to see this gradually change as automotive retailers realise that they can offer a wider range of choice without adding complexity to their sales process.

With regard to specialist energy tariffs, we recently asked 91 EV drivers the following question, “Did whoever you bought your car from introduce you to the concept of off-peak / smart tariffs?”. Of the 91 drivers, every respondent said ‘No’.

We hope to see the market progress quickly so that new EV drivers are aware of a wide range of charge point and EV friendly tariff options. We believe this will solve the challenge of drivers generally ‘dumb charging’ and instead create a situation in which smart charging is the default practice for the country’s EV drivers – significantly reducing the nation’s energy bills, the carbon required to power the UK’s EVs, and the requirement to reinforce the UK’s electricity grid.

2. How well is competition between EV charging providers working at present in the different sector segments and what are the key risks to effective competition (including any emerging competition concerns)?

As an independent player in the market we saw an opportunity to create a level playing field for charge point manufacturers and energy suppliers. Our objective is for every available charge point and specialist tariff to be visible, and therefore easily comparable, by EV drivers on our website. Therefore, increasing transparency and competition to the market and making sure that drivers end up with the best solution for their needs.

3. How can competition in the different sector segments be strengthened as the sector develops, either by building on current policies and/or through other approaches?

Whilst the majority of EVs and PHEVs are sold new, an evolution in the approach of automotive retailers is likely to have the most impact on strengthening competition in the home charging sector. Once the used car market grows to a significant size, first-time EV and PHEV drivers, buying from individuals, will be reliant on information available to them on the internet.

4. What are the main existing and potential barriers to entry and expansion for EV charging providers and how can these be addressed?

Charge point manufacturers may be best placed to respond to this question.

5. How can chargepoints be effectively deployed to ensure there is sufficient supply to meet future demand? What factors need to be taken into account?

A well-functioning charge point installation sector is crucial for the uptake of electric vehicles as charging at home, when possible, is by far the cheapest and cleanest way to charge an electric car.

6. What incentives are there for private investment in EV charging infrastructure including within the different sector segments? How might incentives need to change for the future growth of the sector and development of competition?

We are not involved in the public charging sector.

7. What impact does public subsidy have on private investment incentives; are there any areas/gaps where public support is most likely to be needed?

The OLEV grant for home charge points seems to have had a significant positive impact. While subsidies are always welcome for a sector in which growth is so critical for our environmental goals, we don't see any obvious gaps in the home charging sector.

8. What is required in order to ensure that rural / remote communities and those without off-street parking are well served by charging infrastructure?

We are not involved in the on-street or public charging sector.

9. What role should local authorities play to help deliver EV charging in a way that promotes competition? What support would they need? 10. What can be learned from the different policy approaches taken in the devolved administrations for the EV charging market's development?

Theme two: effective consumer interaction with the sector

1. What challenges or difficulties related to chargepoints might act as a barrier to consumers switching from a conventionally fuelled passenger vehicle to an EV and how might these be overcome?

One of the main challenges in the market at the moment may be the lack of standard assumptions behind quoted costs for charge points and tariffs. Charge points are often priced with a 'Standard install' and the OLEV grant included. The criteria assumed for a standard install is often different from one provider to the next, which means it is impossible for a driver to make a fair comparison without getting a personal quote from each provider (note: all Rightcharge partners are asked to submit pricing based on a consistent set of criteria).

It is impossible for the market (energy suppliers and comparison websites) to present comparable energy quotes to drivers without a standardised method for estimating the home electricity consumption and charging profile of a driver. Ofgem's Typical Domestic Consumption Values (TDCVs) are the equivalent system that allows the home consumption component of quotes to be estimated based on a standard set of assumptions. This is the system that means estimates from one energy supplier, or a set of estimates from one comparison site, can be compared to another.

2. What are the key challenges for consumers already interacting with the sector and how might these change over time as the sector grows?

Consumers currently face unfamiliar product features and jargon, particularly during the home charge point selection and installation process. As the sector grows it may evolve to

describe the products and installation process in more intuitive terms. Future challenges to consumers will be understanding home charging opportunities as they progress from understanding smart charging to understanding new services like vehicle-to-grid and other flexibility solutions.

3. How do consumers decide which chargepoint services and providers to use? What information do consumers need to make this decision and at what stage in the decision-making process?

We see that the vast majority of drivers depend on the advice of their dealership or leasing company to understand the charge point services and providers available to them. In turn, the options that dealerships offer, in particular, are often influenced or dictated by decisions at the vehicle OEM level.

The current buying journey involves very little choice for drivers and bringing choice to charging is likely to increase awareness of the benefits of smart charging.

4. Can consumers easily understand and compare charging tariffs in this sector and what barriers, if any, do they face?

In October, we launched the first comparison service for drivers that takes their car, mileage and driving habits into account, as well as their home energy usage, to provide a comparison of EV friendly energy tariffs.

We see this as a very important first step. However, as mentioned above, we think there would be value in a standardised approach to estimating the component of home energy consumption related to charging the vehicle.

5. Do particular groups of consumers face additional challenges to interacting with the sector and if so, who and why? How might these be overcome?

We find elderly customers require more guidance when it comes to selecting their home charge point or tariff. However, we are yet to encounter a situation where a conversation on the phone has not provided the service that our customers require.

6. Are there any technological developments or tools that could support consumers to navigate the sector, for example by helping to make more informed choices?

We hope we are building services for this reason – to help drivers make more informed decisions and access pricing information in the market.

7. Are existing protections offered by consumer law and other measures (such as sector regulations) sufficient?

Please see our response to question 1 in this section. From our perspective, the introduction of the equivalent of TDCVs for the vehicle consumption component of energy comparison could be the most useful addition to regulation.

8. What, if any, open data measures are needed to support consumer interaction, such as through the growth of comparison sites and apps?

We see the open pricing information for charge points and energy tariffs that is available on the Rightcharge website is a useful tool for consumers.

9. What else is required to help ensure that the EV charging sector develops in a way that is responsive to consumer needs?

The OLEV grant provides a useful secondary service by ensuring that electricians installing charge points are adequately trained and qualified. When this grant is ultimately removed, another method for regulating the quality of the installation market may be necessary.