

Stefan Roberts
Head of SRN Infrastructure Strategy
Office for Zero Emission Vehicles
Great Minster House
33 Horseferry Road
SW1P 4DR, London
United Kingdom

15 April 2021

Re: Industry support for the development of a rapid EV charging authority

Dear Stefan

Further to the correspondence between the REA and Transport Minister Rachel Maclean in June 2020 communicating the REA's support for the Government's Rapid Charging Fund, and outlining our vision for how we would like to see it deployed, I write to you today to update you on our thinking about the design and delivery of a rapid electric vehicle (EV) charging authority.

The Rapid Charging Fund and Project Rapid are important initiatives, and I welcome Government playing both a coordinating role and addressing market restrictions that are holding back the provision of rapid and ultra-rapid EV charging ahead of customer demand in England.

Following discussions with a wide range of the parties who will be impacted by this Fund and Government intervention, and with a full understanding of the urgency required to start developing upgraded grid connections, I can confirm that the REA:

- Welcomes the Project Rapid initiative Rapid Charging Fund and see it as an appropriate and helpful use of public money.
- Would like to see the deployment of the Fund administered and coordinated by an independent development authority accountable to Government.

Regarding the specifics of the Authority:

- This Authority should coordinate and develop electricity grid / DNO connection upgrades for Motorway Service Areas and other key sites along the strategic road network (and A road networks) where rapid EV charging will be required. This body will take responsibility for the long-term ownership of this new grid capacity, if and where appropriate.
- The Authority would develop projects, or coordinate the development of projects, independently and in line with the outputs of Project Rapid and would be accountable to Government.
- We see this Authority coordinating the deployment of funding as preferable to Government pursuing a primarily grants-based approach to implementing this Fund, which might otherwise result in short-term investments and upgrades that are insufficient to meet expected demand in the 2030's and/or restrict competition in the market.

- The Authority could be staffed by a small team of transport planners, former project developers, and electrical engineers specialising in the EV charging sector.
- The Authority would ensure that the right amount of electrical capacity gets to each site, based on the needs modelled per site to 2050 as part of Project Rapid and other evidence. The Authority would collaborate with local and combined authorities to ensure they are aware of the works and that they are able to input to plans given existing regional strategies. It would also coordinate with the owners of each site to deliver their part of the required infrastructure.
- The Authority could play a role in commissioning the least cost and/or most appropriate organisation to do the development work, be it National Grid, a distribution network operator, independent distribution network operator, private wire company, or other entity.
- The Authority could ensure that all sites requiring expanded capacity would receive it, and not necessarily prioritise areas with higher margins for charge point operators. The focus would be on the needs of the EV driver.
- The Authority could be the owner of this new grid connection capacity (itself or in partnership with other authorities) and lease out the capacity to MSAs or Charge Point Operators (CPOs) through a percentage-of-use or alternative revenue system to maximise the value of this investment in supporting decarbonisation objectives
- Considering industry concerns that £950m may not be a large enough investment to achieve the site upgrades that are required across England, the Authority could, in time, match Government money with private investment which would be repaid through the aforementioned leasing model.
- The Authority could use any profits to expand its remit to other strategic energy and transport technologies which will require coordination along the Strategic and A Road Networks between now and 2050, such as the provision of hydrogen and renewable natural gas refuelling hubs for vehicles such as coaches and Heavy Goods Vehicles, resulting in the deployment of multi-modal transport hubs.
- Acknowledging the current role of the Electricity System Operator (ESO), and draft proposals (as of January 2021) from Ofgem to create an Independent System Operator (ISO) which could have an expanded remit to coordinate grid infrastructure upgrades, we still wish for Government to develop this arms-length Authority. In the future the Authority could see the ESO/ISO as a key stakeholder or fall under its remit if appropriate, but in the short term it is essential that works to prepare electricity networks for electric vehicle rollout advance at pace.

I would be happy to discuss such a system with you or members of your team as appropriate.

Sincerely,



Dr. Nina Skorupska CBE FEI
Chief Executive, REA

CONFIDENTIAL