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AFIR Implementation – interpretation issues

The German Association of Energy and Water Industries (BDEW) and its regional organisations represent over 1,900 companies. The membership comprises both privately and publicly owned companies at the local, regional and national level. They account for around 90 percent of the electricity production, over 60 percent of local and district heating supply, 90 percent of natural gas, over 90 percent of energy networks and 80 percent of drinking water extraction as well as around a third of wastewater disposal in Germany.

BDEW is registered in the German lobby register for the representation of interests vis-à-vis the German Bundestag and the Federal Government, as well as in the EU transparency register for the representation of interests vis-à-vis the EU institutions. When representing interests, it follows the recognised Code of Conduct pursuant to the first sentence of Section 5(3), of the German Lobby Register Act, the Code of Conduct attached to the Register of Interest Representatives (europa.eu) as well as the internal BDEW Compliance Guidelines to ensure its activities are professional and transparent at all times. National register entry: R000888. European register entry: 20457441380-38

1 AFIR sets necessary European framework conditions

The agreed Regulation on the Deployment of Alternative Fuels Infrastructure (AFIR) provides the framework for Charge Point Operators (CPO) and E-Mobility Service Providers (EMP) to further expand and operate the increasingly encompassing public recharging and mobility services successfully all over Europe. However, some parts of the regulation leave room for interpretation from a business practice perspective. This holds especially true for:

- Article 5.1: Payment instruments for recharging on an ad hoc basis,
- Article 5.4 and 5.5: Price transparency for end users.

The BDEW (German Association of Energy and Water Industries), whose members operate more than 80 % of the publicly accessible recharging points in Germany, would appreciate that the interpretation issues will be solved soon in order to guarantee a smooth implementation of the AFIR. For supporting this and the implementation of the AFIR, the BDEW outlines in this paper how the above-mentioned articles would be interpreted from the practitioners' perspective.

2 Article 5.1: Payment instruments for ad hoc charging

According to the agreed Regulation, the following requirements are applicable for payment instruments:

“1. 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.

At those recharging points deployed from the date of application referred to in Article 24, ad hoc charging shall be possible using a payment instrument that is widely used in the Union. To that end, operators of recharging points shall, at those points, accept electronic payments through terminals and devices used for payment services, including at least one of the following:

- (a) payment card readers;*
- (b) devices with a contactless functionality that is at least able to read payment cards;*
- (c) for publicly accessible recharging points with a power output below 50 kW, devices using an internet connection and allowing for a secure payment transaction such as those generating a specific Quick Response code.*

From 1 January 2027 onwards, operators of recharging points shall ensure that all publicly accessible recharging points with a power output equal to or more than 50 kW installed on and

along the TEN-T road network or installed on a safe and secure parking area operated by them, including those points deployed before the date of application referred to in Article 24, comply with the requirements set out in points (a) or (b).

One payment terminal or device referred to in the second subparagraph may serve several recharging points within a recharging pool.

The requirements laid down in this paragraph shall not apply to publicly accessible recharging points that do not require payment for the recharging service.”

Interpretation of the BDEW

For recharging points with a power output equal to or more than 50 kW, the agreed wording enables besides the use of a payment card reader the use of a contactless payment instrument that is at least able to read payment cards (digital or physical) e.g., an NFC reader. The use of NFC readers is a future-proved payment method already practiced by the consumers via their smartphones.

For recharging stations with less than 50 kW, the regulation allows devices using an internet connection and allowing secure payment transactions. That means the usage of common web-based payment systems that are already standard today is possible for these recharging stations provided these systems are secure payment systems. One option, which is given as an example in the regulation, is a specifically generated QR code. The requirements can also be fulfilled in form of a static QR code that is attached to the recharging station or by other web-based secure payment systems. Furthermore, there is no retrofitting obligation for recharging points with less than 50 kW, so that financial and human resources can be invested into further expanding the recharging offer.

3 Article 5.4 and 5.5: Price transparency for end users

According to the “Provisional agreement resulting from interinstitutional negotiations” of the AFIR of April 26, 2023, the following requirements are agreed upon for price indication:

“5. At recharging points with a power output of equal to or more than 50 kW, the ad hoc price charged by the operator shall be based on a price per kWh for the electricity delivered. In addition thereto, the operators of those recharging points can charge an occupancy fee to be charged in price per minute to discourage long occupancy of the recharging point.

Operators of recharging points with a power output equal to or more than 50 kW shall show at the recharging station the ad hoc price per kWh and any possible occupancy fee expressed in price per minute so that this information is known to end users before they initiate a recharging session and price comparison is facilitated.

Operators of recharging points with a power output of less than 50 kW shall clearly and easily make available the information on the ad hoc price, including all its price components, available at for all publicly accessible recharging stations operated by them so that this information is known to end users before they initiate a recharging session and price comparison is facilitated. The applicable price components shall be presented in the following order:

- price per kWh;*
- price per minute;*
- price per session and*
- any other price component(s) that may apply.*

Provisions in paragraphs 1 and 2 shall apply to all recharging points deployed from the date of application referred to in Article 24.

6. Prices charged by mobility service providers to end users shall be reasonable, transparent and non-discriminatory. Mobility service providers shall make available to end users all applicable price information, prior to the start of the recharging session, and specific to their intended recharging session, through freely available, widely supported electronic means, clearly distinguishing all the price components, including applicable e-roaming costs and other fees or charges applied by the mobility service provider. The fees shall be reasonable, transparent and non-discriminatory. No extra charges for cross-border e-roaming shall be applied.”

Interpretation of the BDEW

The focus is on price transparency for end users so the requirements should make it possible for them to compare prices prior to the start of a recharging session. End users need to be able to know the total price of their recharging session prior to the start. This approach is supported by BDEW.

According to the agreed wording of Article 5 par. 4 and 5, this can be realized either with a price per kWh charged, which already includes all possible price components, or a basic kWh price supplemented by further additional applicable fees (price components) such as e. g. an occupancy fee. The regulation does not require to reveal internal cost structures of the used services and additional financial expenditures of the operators. They are relevant to competition such as procurement prices and must not be published for business secret reasons.

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