

Platform's reaction to first Parliament draft opinions on REDIII

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The Platform for electromobility sees the recast Renewable Energy Directive (RED) as a unique opportunity to accelerate the transport sector's transition towards zero emissions, and to modernise the current legislative framework for renewable energy in Europe's transport system by going beyond the blending of biofuels. Electricity is the most efficient energy carrier, making clean direct electrification the most cost-effective way of decarbonising Europe and reaching the 2030 and 2050 climate targets. Legislative framework should therefore allow electricity to compete on a truly even footing and under the same rules and conditions as other energy options.

As negotiations progress in Council and in the Parliament, the Platform would like to react to draft opinions published by involved Parliament committees and make the following recommendations:

1. Extend the scope of the proposed fuel-neutral credit mechanism beyond public charging.

The Commission's proposed mandate on Member states to introduce fuel-neutral credit trading mechanism under art 25(2) was a highly welcomed change by the Platform as it guarantees equal treatment between energy options, by giving national fuel suppliers further options to meet their obligations by including renewable electricity.

However, the proposed wording limits the scope of the mechanism to public charging only. This means excluding the majority of electrons charged from the system, since at least 70% of EV charging takes place at home or at the workplace, rather than in the public space. For the heavy-duty segment, e.g buses and trucks, the effect is even larger as those vehicles mostly charge at (private) depots. This limited scope would create distortions in the charging market by discouraging home or workplace charging, and would unnecessarily overuse public space.

- **Recommendation 1:** the credit mechanism should not be limited to public charging points, but also cover any other type of charging use cases, e.g by using the generic term "recharging points" instead of "public recharging points".

2. Re-insert flexibility for countries to choose their transport targets accounting systems and reintroduce explicit Energy Efficiency Ratios/the multiplier system.

The current RED allows countries to choose between setting transport targets based on energy volumes/content or on well-to-wheel GHG emission reductions. The proposed RED recast now obliges countries to set targets based on GHG reductions.

First, 24 out of 27 Member states currently do not use a GHG-based system, but rather an energy-based one. Preliminary Council discussions indicate that countries would like to keep their accounting freedom, especially where they can achieve the same targets irrespective of the measurement metric.

Second, with this change comes the deletion of the existing "multiplier system" or 'Energy Efficiency Ratio EER', currently of 4 for electricity. The purpose of multipliers or Energy Efficiency Ratio (EERs) is to account for the superior energy efficiency of renewable electricity. Multipliers for each energy carrier should be adapted to their real contribution to Green Deal objectives.

The deployment of direct electrification based on RES-E through electric vehicles (EVs) must be incentivised, as it is a “no-regret”, mature, renewable and efficient option compatible with the 2050 decarbonisation objective. As such, it should have an Energy Efficiency Ratio (EER) of at least 4 (ECF(e) = 183 gCO₂/MJ which leads to a -195% GHG saving).

This is because an **EV is between 4-5 times more efficient** than an internal combustion engine car (“well to wheel” efficiency) fuelled by any renewable fuels. Thus, multipliers should be used to account for the difference between primary and final energy delivered by different energy options.

Several amendments from initial Parliament opinions argue that the same fossil fuel comparator value should be used for all “renewable fuels”, i.e. a 94 gCO₂eq for both biofuels and renewable electricity. An incorrect argument is put forward to justify this, i.e. that the proposed fossil fuel baseline for renewable electricity grants it with disproportionately high GHG savings. A higher fossil fuel comparator value is a necessary mathematical adjustment to guarantee that the higher GHG savings achieved by renewable electricity are reflected.

- **Recommendation 2:** Reject EP amendments that delete the comparator and remove the multiplier as this creates an unfair system that promotes less-energy efficient solutions.
- **Recommendation 3:** maintain flexibility for countries to choose their accounting system but maintain the required EER as in the current RED. If member states are allowed to keep accounting on an energy basis, include appropriate EERs to ensure that direct electrification is able to compete on a level playing field.

