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INFORMATIVE NOTE

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Moving towards future electric mobility: the greatest challenges

Electric mobility represents a new language and a new dynamic for consumers who yearn for an accessible, extensive, digital, user-friendly charging network.

In Portugal and abroad, the electric mobility sector has witnessed significant developments and it has shown itself to be a particularly dynamic market that is enjoying strong growth. According to data made available by the European Automobile Manufacturers Association (ACEA), even in the midst of a pandemic, it is estimated that the sales of electric vehicles in Europe doubled in 2020.

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This dynamism is certainly not unconnected to the fact that, over the last few years, states including Portugal have adopted incentive packages to encourage the growth of the electric mobility market. In parallel, states have incorporated a range of solutions into their legal systems to promote the development of charging networks. However, in Portugal in particular, there are challenges to be overcome, hopefully in the near future, in order to keep this country on the European path of innovation in terms of electric mobility. It will be necessary to boost private investment in the sector and enhance the promotion of electric mobility as a key element of decarbonisation.

Within the European Union, there are several models for organisation of the electric mobility market and these models have varying degree of decentralisation in terms of the management of network operations. The model adopted in Portugal is complex and based on the particular characteristic that, as a rule, charging points must be connected to the public network with universal access. The management and supervision of this network has been placed in the hands of Mobi.E, S.A. as a legal monopoly. The charging points are operated and maintained by licensed charging point operators (CPOs) and the electricity for electric vehicle charging is supplied by electric mobility suppliers (with the Portuguese initials CEME) registered with the DGEG (Portuguese Directorate-General of Energy and Geology).

The public network is also based on the existence of a national roaming platform to which all agents must be connected (national mono-network). This allows electric vehicle users (EVUs) to charge their vehicles at any public charging point, regardless of the electric mobility supplier they have contracted with.

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This national public network coexists with private access charging points. These private facilities are not necessarily connected to the public network and they can be operated by the owners of the installation site, who are called charge point holders. In this regard, market players often advance different interpretations. Therefore, legislative clarification of the legal requirement regarding private access is needed to rule out restrictive and formalistic understandings.

The compliance of electric mobility systems such as the Portuguese one with the provisions of EU law has been questioned. Directive 2014/94/EU of 22 October 2014 provides that all charging points accessible to the public must allow ad hoc charging. In other words, they must allow one-off charging by EVUs that is not part of a lasting contractual relationship. They must also ensure a non-discriminatory electric mobility network that includes, for example, different conditions for authentication, use and payment. Currently, to access public charging points in Portugal, foreign EVUs will also have to enter into contracts with Portuguese electric mobility suppliers, regardless of any contracts they may have already concluded in their country of origin.

There is no doubt that electric mobility in Portugal has been a clear growth sector that stands out for its efficiency and good degree of market development. However, electric mobility represents a new language and a new dynamic for consumers, who yearn for an accessible, extensive, digital, user-friendly charging network that is more flexible in the business models it allows. As a result, the Portuguese system faces challenges in terms of its operation, internationalisation, universality and competition, which must be overcome. Otherwise, it will lose competitiveness and be disconnected from the European network. Therefore, the electric mobility system in Portugal needs greater investment in digitalisation (through apps or other systems), in order to make the authentication of EVUs at charging points more efficient and practical, and to make the processing of consumption data faster. This further digitalisation will allow the market to evolve towards more flexible solutions from the point of view of the means of payment available, to allow Portuguese and international EVUs to charge electric vehicles in a quick and informal way, without having to enter into a contract with the electric mobility suppliers.

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Portugal needs a more competitive market capable of providing the best services at the most competitive prices to EVUs. For this to happen, the market model will have to evolve towards a scheme that enhances the growth and geographical dispersion of the charging networks. It will also have to combine the electric mobility network (public, universal and extensive) with a greater development of private electric mobility networks.

The internationalisation of the electric mobility system here is also a fundamental need in terms of development of the Portuguese market. It is necessary to implement adequate roaming systems, in particular, the long-awaited e-roaming (international roaming), already announced by Mobi.E, but not yet implemented in Portugal.

Finally, it will also be important to adjust the practices of regulatory bodies (and perhaps the regulation itself, by simplifying it and speeding it up) to the reality of installing charging points. Due to its relative technical simplicity and speed of installation, this is not compatible with complex and, above all, time-consuming regulatory licensing and certification procedures.

Overcoming these challenges will encourage the development of business models and alternative charging and payment solutions that are more flexible and digital. This will make our market even more dynamic, competitive and attractive, both for EVUs and investors. ■