

Greater Manchester Combined Authority

Date: Friday 27 October 2023

Subject: Electric Vehicle Charging Tariff

Report of: Paul Dennett, Deputy Mayor of Greater Manchester, and Eamonn Boylan,
Chief Executive Officer, GMCA & TfGM

Purpose of Report

To request that the ability to amend the Electric Vehicle charging tariff is delegated to the Chief Executive GMCA and TfGM, within approved limits, to allow for a more agile approach to remain competitive within the market.

Recommendations:

Members are requested to:

1. Approve that a floor and a ceiling price cap of 30% above and below the current EV tariff (set out in paragraph 1.10 of the report) is introduced.
2. Delegation to the Chief Executive of the GMCA and TfGM approval of tariff changes within those limits.

Contact Officers

Megan Black Head of Logistics and Environment, TfGM

Megan.Black@tfgm.com

Richard Banks Senior Manager - Logistics and Environment, TfGM

Richard.Banks@tfgm.com

Equalities Impact, Carbon and Sustainability Assessment:

Impact Indicator	Result	Justification/Mitigation	Guidance
Equality and Inclusion			<i>See Equalities Impact Assessment Result</i>
Health			
Resilience and Adaptation			
Housing	N/A		
Economy			
Mobility and Connectivity		Increased tariff on Be.EV network required to enable operational costs to be covered	
Carbon, Nature and Environment			<i>See Carbon Assessment Result</i>
Consumption and Production			

Risk Management

Tariff increases may result in complaints/reduction in usage. A communications plan will be implemented to help mitigate this.

Legal Considerations

Set out in the report.

Financial Consequences – Revenue

The ability to be agile in changing the Be.EV tariff will allow Greater Manchester to ensure that the tariff is covering operational costs.

Financial Consequences – Capital

Not applicable.

Number of attachments to the report: None

Comments/recommendations from Overview & Scrutiny Committee

Not applicable.

Comments/recommendations from Bee Network Committee

The Bee Network Committee is due to consider this report on Thursday 27 September. Any recommendations made the Committee will be reported at the GMCA meeting.

Background Papers

GMCA 25 March 2022 Greater Manchester Electric Vehicle Charging Tariff

GMCA 29 November 2019 Greater Manchester Electric Vehicle Charging Proposal

GMCA 26 January 2018 Transport Budget for 2018/19

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

Yes

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

1. Introduction & Background

- 1.1. As of September 2023, there are 720 publicly accessible electric vehicle charging devices in Greater Manchester. Of these, 200 are branded as part of the Be.EV network, 151 of these are owned by TfGM (with Iduna Infrastructure Ltd owning the remainder). The Be.EV brand is owned by Iduna Infrastructure Ltd¹ who have a contract with TfGM to operate and maintain TfGM units. A programme of 60 additional TfGM-owned taxi charging points is currently being implemented.
- 1.2. The current contract term is 7 years from December 2019 i.e., to December 2026 with two optional 3-year extensions available from December 2029 and December 2032.
- 1.3. Whilst there are contractual arrangements about tariff setting, in that both parties can set their own, there is a non-binding agreement to have a unified rate so that there is a Be.EV tariff, rather than different rates depending on ownership – this is intended to improve the customer experience.
- 1.4. The tariff is primarily driven by the cost of electricity that is being supplied to the consumer through the unit, with a small percentage to cover the operation and maintenance costs. Effectively, in setting an EV tariff, TfGM is trying to cover its costs without a subsidy from the Transport Levy.
- 1.5. The first electric vehicle chargers installed in 2013 as part of the Greater Manchester Electric Vehicle (GMEV) charging network did not levy a charge. In November 2019 the GMCA agreed the pay-as-you-go tariff on the publicly owned EV charging network, subject to the development of a satisfactory Membership Scheme. The authority to approve the Membership Scheme and to implement the proposed electric vehicle charging tariff was delegated to the Chief Executive Officer, GMCA & TfGM, in consultation with the Deputy GM Mayor. The Membership Scheme was approved and the decision to implement the electric vehicle charging tariffs from 1st October 2021 was published in a decision notice on 19 August 2021.
- 1.6. It was subsequently reported to the GMCA in March 2022 that significant increases in energy prices had impacted on the ability of the publicly owned infrastructure to operate without a subsidy from the Transport Levy. There is therefore a requirement for TfGM to be able to quickly modify tariffs to remain competitive within the market.

- 1.7. As the EV Charging Infrastructure (EVCI) market matures and the consumer has a greater level of choice, giving greater flexibility for changing the tariff at pace in order to respond to market conditions would be highly beneficial for the consumer.
- 1.8. The introduction of a price cap would allow GM to quickly modify tariffs and this would strike a balance between protecting consumers / retaining transparency and being responsive and adaptable to a changing market.
- 1.9. It is recommended that a floor and a ceiling price cap of 30% above and below the existing EV tariff is implemented within which the tariff can fluctuate. These limits would be intended to prevent prices from falling below a certain point (floor) or rising about a certain point (ceiling), with a delegation to the Chief Executive of the GMCA and TfGM, to change the tariff within those limits. Changes outside of the floor and ceiling would require further agreement by GMCA.
- 1.10. The current Be.EV tariff, as implemented 22 August 2023 is outlined in the below table.

	Pay-as-you-charge tariff	Be.EV membership tariff	Be.EV GM taxi membership tariff
Fast Charger	£0.72 per kWh	£0.67 per kWh	n/a
Rapid Charger	£0.82 per kWh	£0.77 per kWh	£0.72 per kWh
Ultra Rapid Charger	£0.82 per kWh	£0.77 per kWh	n/a

- 1.11. The range of a 30% price cap is outlined in the below table.

	Pay-as-you-charge tariff	Be.EV membership tariff	Be.EV GM taxi membership tariff
Fast Charger	£0.50 to 0.94 per kWh	£0.47 to 0.87 per kWh	n/a
Rapid Charger	£0.57 to 1.07 per kWh	£ 0.54 to 1.00 per kWh	£0.50 to 0.94 per kWh per kWh
Ultra Rapid Charger	£0.57 to 1.07 per kWh	£ 0.54 to 1.00 per kWh	n/a

¹ In April 2021 the Amey MAP Services unit, which delivers the EV contract, was divested by Amey plc to Iduna Infrastructure Ltd.