

# Electric vehicle charging infrastructure

The outlook in Northern Ireland

NOVEMBER 2022



# Drivers of change

## Introduction

In the last twelve months electric vehicle charging infrastructure (EVCI) in Northern Ireland (NI) has seen a positive shift in perception and activity. Inertia has been replaced with momentum and the country is making real strides in upgrading existing infrastructure and developing new.

Uptake of EVs in NI is still lower than elsewhere, however as more infrastructure is developed and consumer confidence grows the market will react accordingly. In addition, new trends such as destination charging and EV charging hubs – which make EVCI more accessible – will help to reduce the gap between supply and demand and further bolster uptake.

Grid capacity – one of the biggest blockers to additional deployment – is also being addressed with Northern Ireland Electricity Networks (NIEN) announcing it is aiming to carry out significant grid upgrades to support the projected increase in EVs by 2031. And while funding from equity and debt investors remains somewhat uncertain, Office for Zero Emission Vehicles' (OZEV) funding announcement that it will support up to 75% of the cost of installation could see businesses across NI driving the change to electrification forwards.

Clear government policy might be the missing piece of the puzzle, but until that falls into place all those operating in the sector have their sights set on the next phase of EVCI development in NI.



14% GB

13% ROI

8% NI

## Increasing demand

We are already seeing some speculative development of EVCI in anticipation of an uptick in EV drivers in NI, as well as upgrades to existing infrastructure. However, the rate of development will be determined by the number of EVs on the road, which is currently lower in NI than Great Britain (GB) where 14% of new cars are EVs, and ROI where it is 13%. Take-up in NI is currently at 8%. This could hold back deployment until uptake increases.



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## Destination charging

Destination charging is gaining traction. The addition of charging infrastructure at retail operators such as Tesco and McDonald's is a new development and could see rapid growth – not just across retail but also at leisure outlets. For example, Weev recently announced that it is installing charging stations at five hotels belonging to a County Antrim hospitality group.

EVCI is widely anticipated to become part of the value-add at these destinations and something that consumers will expect as standard or actively seek out.

## Future-proofing car parks

Car park owners and operators are future-proofing their assets to allow for the deployment of EVCI when they are entering into sub-leases. This is directly linked to the growth of destination charging.

## Charging hubs

ESB ecars and Weev have already announced that they will be developing new charging hubs across NI, but they are not the only ones looking to capture a share of this market. GB has already seen a number of the large energy companies such as bp pulse, SSE Energy Solutions and Shell Recharge enter the EVCI market and this is likely to be replicated in NI.

## New funding

In August OZEV announced it would provide assistance towards the cost of installing EVCI, with businesses, charities and public sector organisations eligible for funding of up to 75% of the cost. The scheme also includes an EV Staff and Fleets initiative that provides small and medium-sized businesses with up to £850 per charge point. This could change the landscape for EVCI rollout in NI, with businesses becoming the driving force behind increased deployment.

The funding conundrum is however still being answered and as in GB, there is no clear solution. Equity is still the main play, and while there is growing interest from debt funders, the lack of guaranteed revenue streams and bankability remain a problem. As the consumer usage gap narrows the market will shift, but lower take up rates in NI could impact funding solutions.

Funding eligibility



## Grid capacity

One of the biggest blockers to deployment has been grid capacity however this is set to change. NIEN has announced as part of the consultation for its next spending round (2025-2031) that it will look to have the supporting infrastructure in place to facilitate the forecasted collection of more than 300,000 EVs by consumers by 2031.

## Public confidence

Public confidence remains an issue. This may change as the infrastructure is upgraded but issues with connectivity across different charge point operators will need to be addressed. An "all island card" might be a future solution but there could be a question as to how this plays into creating a UK-wide accessible infrastructure. Putting aside the political arena, the onus may well be on the charge point operators to collaborate on developing a solution.

## Government policy

Central government and in turn local government are being put under pressure to support the upgrade of infrastructure and the grid – both in terms of clear policy and funding. However, while the current political climate is receptive and encouraging, without an Assembly change this will be difficult and there is a real possibility of inertia.

## Upgrades and new developments

- ESB ecars is currently undertaking a £3.27m programme of work – funded by the Levelling Up Fund – to expand and transform the public charging experience in NI. This includes 80 sites being updated to 100KM and five new charging hubs in strategic locations that will be operational by 2023.
- Belfast-based start-up Weev is set to invest £20m in a new public charging network in NI. It will look to install 1,500 EV charge points across 350+ locations including six major ultra-rapid charging hubs.
- GRIDSERVE announced a UK-wide partnership with Dobbies Garden Centres to deliver 30 destination electric hubs at key locations in early 2022 including in Lisburn, NI.

In addition, the prospect of late December elections could lead to a different political landscape with an agenda that is not so focused on EVs or the development of associated infrastructure. Continued pressure from all those operating in the sector will be needed to ensure a clear direction of travel that accelerates deployment.

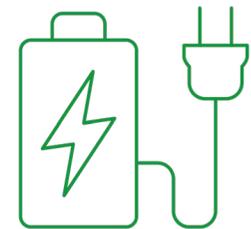
## Location and liability

As more infrastructure is deployed the industry is starting to consider its liability with regards to consumers. Who is responsible for health and safety and what measures are needed? Should CCTV be installed, for example, especially in more remote locations? Unlike with filling stations, customers will spend more time “charging” even at a rapid charger and the charge point is unlikely to be manned. Charge point operators are considering the duty of care that could be placed on them, which goes beyond the contractual terms of usage.

## What comes next?

The NI market is poised for the next phase of development, but for real change to take place it needs to be supported by clear government policy. The current uncertainty and the lack of an Assembly is putting pressure on the charge point operators, funders, businesses, communities and so on to continue to accelerate deployment, and there is a real danger of the positive momentum that has been built up being lost.

This is the time for the sector to come together with one voice – alongside supportive and influential organisations such as the CBI – to ensure that government policy is reflective of what’s needed to encourage and meet demand, that investors (and in due course debt funders) see EVCI as a green investment, and that the drive to electrification continues.



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