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RIIO-ED2 Team
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By email: riioed2@ofgem.gov.uk

FAO: Steve McMahon

Dear Steve

Citizens Advice response to the Informal consultation on the removal of EV POLR provision from SLC 31F

Citizens Advice welcomes the opportunity to respond to this consultation as part of its statutory role to represent energy consumers in Great Britain. Our response is not confidential and may be freely published.

Patron HRH The Princess Royal Chief Executive Dame Clare Moriarty

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1. Do you agree with our proposal to remove the EV PoLR provision from SLC 31F?

We support the proposal to remove the licence condition 31F relating to Distribution Network Operators (DNOs) being able to become the Electric Vehicle (EV) charging Provider of Last Resort (PoLR). We have campaigned throughout the ED2 process¹ for this provision to be removed as we don't believe that is in consumers' interests.

DNOs are not the right bodies to be owning and managing EV charge points. We believe that there are risks for consumers in that:

- Consumers could end up paying for this infrastructure in perpetuity with no exit
- Funding for uneconomic charge points via consumers' bills is regressive and will hit consumers who are vulnerable or low income. Subsidising of EV charge points in rural or otherwise uneconomic charge infrastructure areas should be by other means, such as progressive taxation
- There is a lack of transparency for this subsidy mechanism. It will be added to people's bills and subsumed within the general costs of an energy bill
- Those DNOs that have large rural areas that are likely to have high numbers of these otherwise uneconomic charge points will have a burden placed on their consumers' bills which other DNO areas, with more urban demographics, will not. This means that those consumers in DNO areas with already high distribution bills will likely face a disproportionately higher cost to pay these subsidies than other DNO areas

2. Do you agree that other market participants would be better placed than DNOs to act as PoLR for EV charge points?

Other market participants would be better placed than DNOs to act as PoLRs for EV charge points as commercial and existing EV charge point providers will already have the systems and capabilities to operate such charge points. It will be costly and inefficient for DNOs to develop such systems and capabilities. We further note that funding for such PoLRs, if desired as a strategic aim to meet net zero and provide uneconomic charge points, should be financed via a socially funded and progressive mechanism with appropriate transparency and scrutiny, e.g. governmental taxation with a scheme operated via Local Authorities.

Yours sincerely

Caroline Farquhar

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Energy Networks and Systems

¹ [Citizens Advice response to the RIIO-ED2 Draft Determinations](#), August 2022, p 11-12