



SEAI Consultation - EV Apartment Charging - Consultation Feedback

Which of the following best describes your status?

Association

Organisation Name / Name:

Apartment Owners' Network

Email address required:

info@apartmentownersnetwork.org

Do you agree with the overall objective and grants proposal for the scheme?

AON welcomes the introduction of the EV Apartment Charging Grants Programme by the SEAI. For many years apartment residents have been unable to make the switch to electric vehicles as no scheme existed to support Owners' Management Companies to install the necessary charging infrastructure. The introduction of the scheme will bring to an end the paradoxical situation where climate-conscious citizens who choose high-density living in line with government policy cannot avail of a government scheme to reduce carbon emissions.

AON has extensive experience on the operations of OMCs in Ireland. Many OMCs are under severe financial pressure due to a combination of (a) inability to collect service charges due to non-payment by owners, (b) unexpected large-scale investment to remediate construction defects in apartment blocks, and (c) poor financial planning over decades leaving sinking funds underfunded for necessary capital refurbishment. It is the opinion of AON that, faced with competing financial priorities, many OMCs will decline to allocate investment towards EV charging infrastructure. We note the current proposal to cover 50% to 80% of project eligible costs. We submit that an 80% grant will be insufficient to entice the majority of OMCs to engage in the process, given the requirement to raise service charges to cover the 20% balance. We would encourage consideration of a 90%+ grant.

Clarity is necessary on the timelines for grant funding. Will the OMC have to cover all initial costs before grant funding will be made available by the SEAI? Will there be milestone payments? As detailed above, an OMC would likely not be in a cash position to pay such sums up front and recoup the grant aid at a later date. Such cashflow considerations may be another reason that OMCs may decline to participate.

As stated in the public consultation document, 80% of apartment residents are renting their property. Apartment tenants are typically more transient than owner-occupiers. We note that the proposed Tier 2 Support requires "evidence of EV purchased by Resident". If the resident is a tenant, rather than an owner-occupier, can the tenant re-apply for support for should they move to a new property that requires similar installation of an EV charger? If the answer is no, this is likely to put-off tenants from buying an EV as they may be unable to charge their vehicle should they change address to a fresh apartment. Clarity is required in whether the grant is specific to a vehicle, a vehicle owner, or a property address.

Are there any specific suggestions or recommendations that you would like to propose?

Maximum Value

We note the following text in the public consultation document:

“A maximum value for each application and/or applicant is likely to be applied. This value is still being decided and will be communicated once agreed.”

We are concerned that there is a risk that some OMCs participation in the scheme will be unfairly limited. We are aware of several OMCs with over 1,000 residential units under management. We submit that any limitation of support should take into account the number of residential units under management rather than an arbitrary limit per applicant that takes no account of the size of the estate in question. Put simply, an OMC with 1,000 units should not have the same maximum grant value as an OMC with 50 units. The scheme should ensure a fair allocation of available resources on a “per residential unit” basis.

Revenue Model

We are concerned that there is a flaw in the envisaged revenue model.

“The EV Chargers have in-built meters linked to individual resident’s accounts. Each month, the Charging Point (CP) Operators bill the residents directly for energy they have used. The residents pay the Charging Point (CP) Operators for their own consumption. The Charging Point (CP) Operators aggregates payments for all residents and transfers the monthly fee to the management company”

This model implies that the OMC will be billed by the electricity supplier for electricity used by each charging unit. The OMC will then need to recoup its expense via the CP Operator. This introduces credit risk for the OMC:

(A) If an individual unit owner fails to pay the billed amount to the CP Operator, there will be a shortfall in the CP Operator’s transfer to the OMC. What measures can be taken to recoup the cost? Will the CP Operator chase the debtor or will the OMC be left to cover the cost?

(B) It is unclear what level of regulation there is for CP Operators. On a monthly basis, the OMC is exposed to the risk that the CP Operator fails to transfer the amounts due. Is there a risk of co-mingling of CP Operator and OMC funds?

We submit that a pre-pay system would eliminate the credit risk associated with individual residents and that some regulation or guidelines be developed to minimise the risk to OMCs of a credit default of the CP Operator.

Are there any other mechanisms, schemes or regulation that you think we should consider to encourage the uptake of EVs in apartments?

In the Q&A session of the SEAI presentation, the issue was raised that OMCs are charged business rates rather than residential rates and that residential rates would typically be lower (both the price per unit and the PSO levy). We submit that where an MPRN is specifically identified as being for residential EV charging, that residential rates should apply.