Charging infrastructure aid scheme

Information webinar

Monday 02 May
10.30-12.00

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DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère de l'Économie

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Ministère de l'Énergie et de
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Bob Feidt

Ministry of the Economy

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Département de l'énergie

Context

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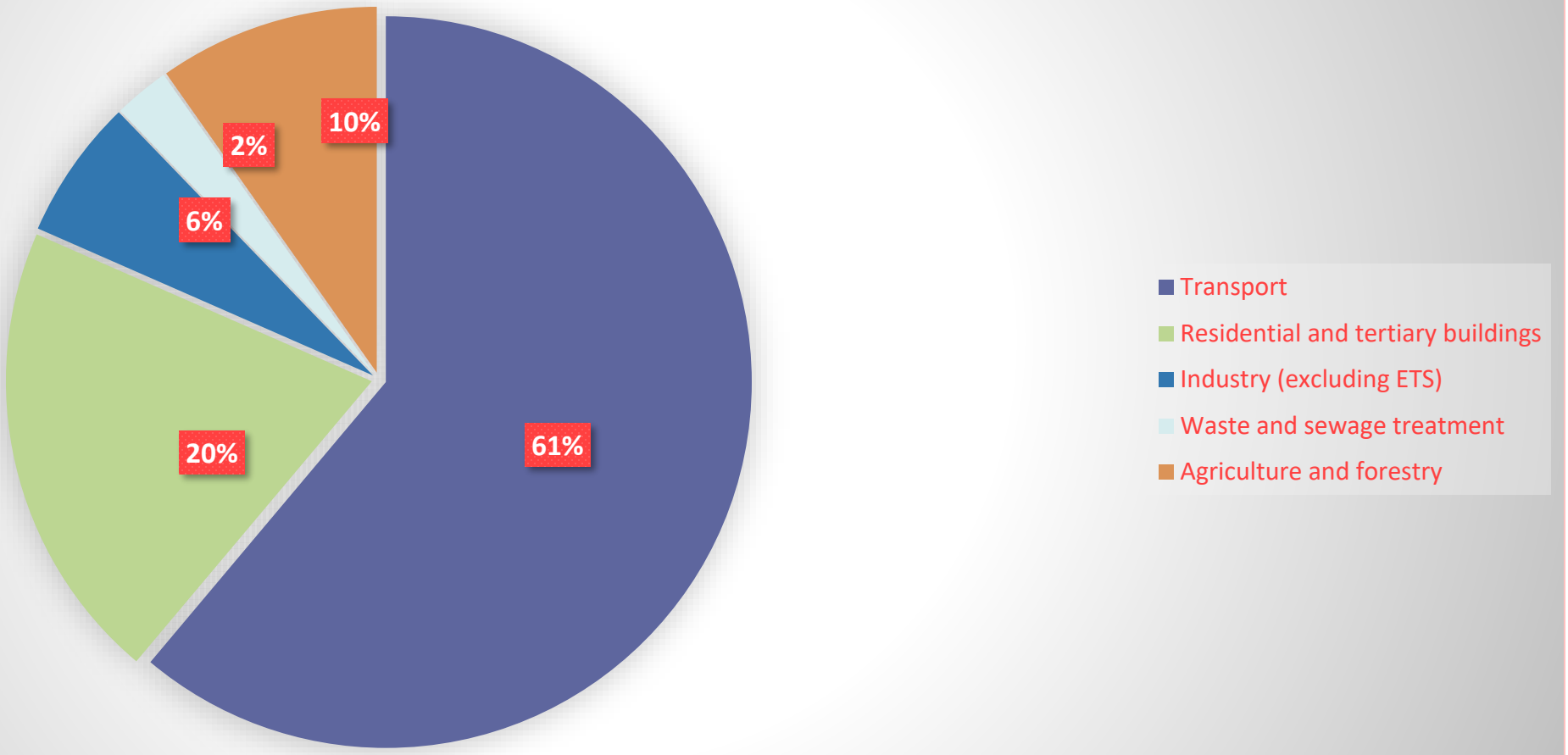
Breakdown of greenhouse gas emissions by sector (excluding ETS) in 2020



Source : Inventaire national GES 2021 (proxy)

Context

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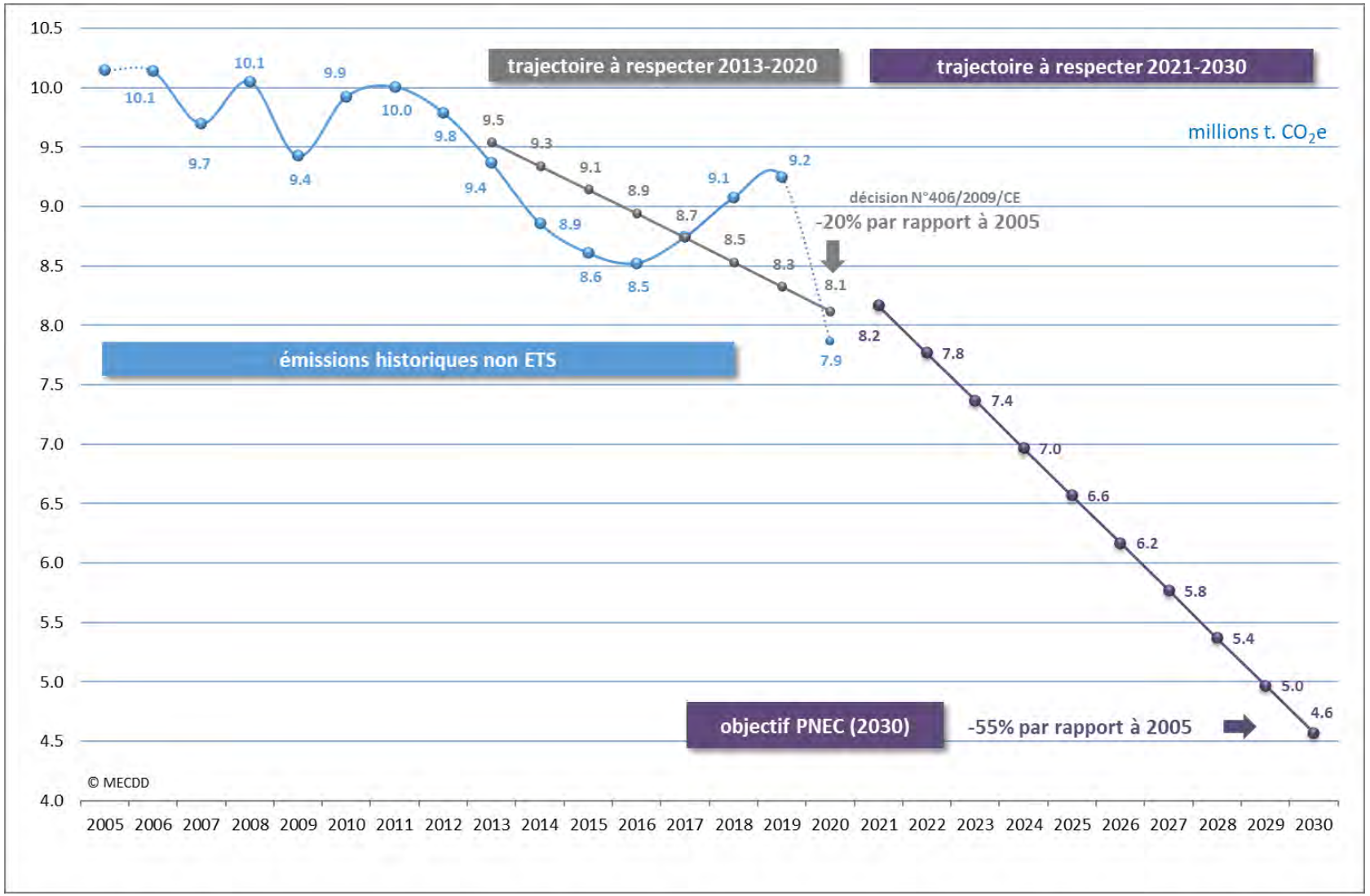

Context

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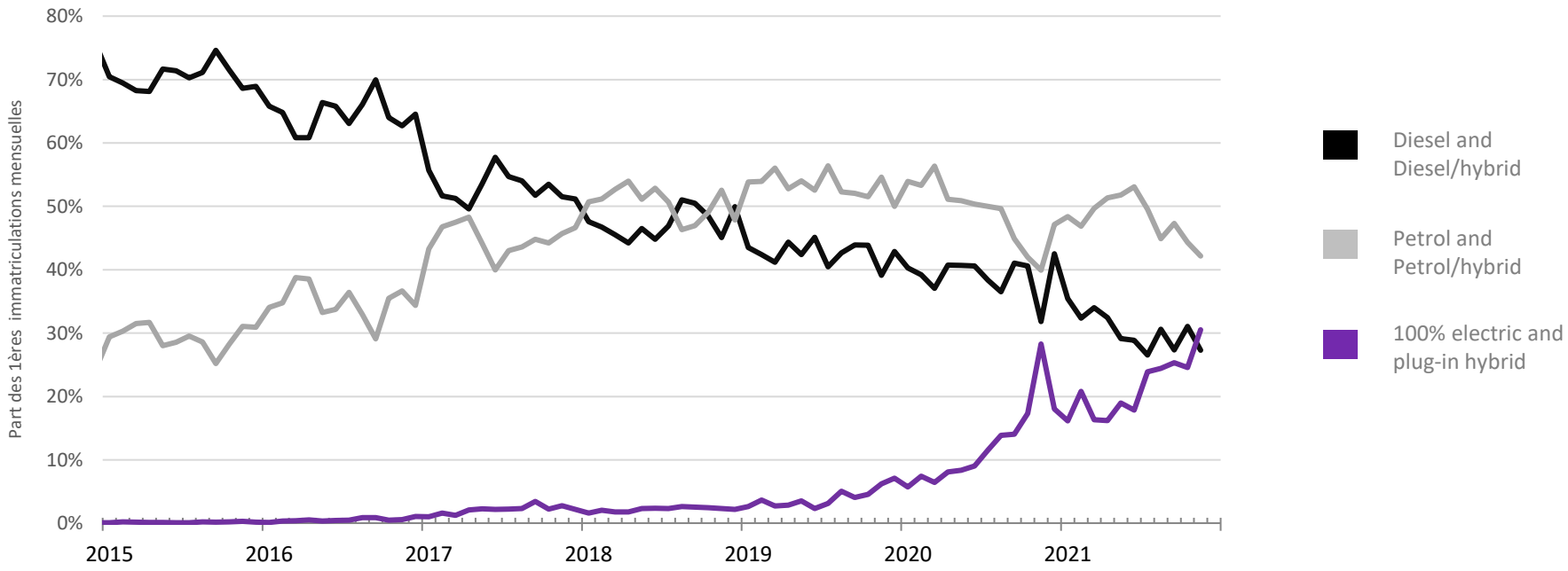
- **9,092** new registrations of electric cars (100% electric or plug-in hybrid) in 2021 (**20.5%** market share)
- **17,425** electric cars on the road in Luxembourg (**3.9%** market share)



Market share of new monthly registrations by engine type, SNCA data

Completing the offer of government measures

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- Luxembourg intends to deploy a **coherent and balanced set of support measures for all types of necessary charging infrastructure**:
  - Financial aid for **home charging** ☑
  - Development of basic **public charging infrastructure** (“Chargy” & “SuperChargy”) ☑
  - Financial aid for **publicly accessible charging stations** that are **complementary** to the existing public charging infrastructure ☐
  - Financial aid for **charging stations at the workplace and for the company fleet** of vehicles ☐

Source: Klima-Agence

New draft law to complete support measures

Subject to the finalisation of the legislative and regulatory procedures: File 7925 is available on the website of the Chamber of Deputies

New draft law

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Axis 1

Aid for charging infrastructure granted following a competitive bidding process

Objective: Facilitate and accelerate the deployment of a larger charging station network and increase charging capacity in Luxembourg

Restricted to projects **of a certain size**

Financial aid based on calls for projects

Axis 2

Aid for charging infrastructure restricted to small and medium-sized enterprises

Objective: Encourage SMEs to make the transition to e-mobility in the context of their economic activity

Restricted to SMEs proposing a project with a limited budget

Financial aid on simple written request

The draft law also provides for an adaptation of the organisation of the "Chargy" and "SuperChargy" network in accordance with the new European legislative framework.

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Beneficiaries and eligible costs

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- The benefits of the draft law are **restricted to companies**, i.e. any entity carrying out an **economic activity** and aiming to install charging infrastructure **in Luxembourg**.
- Aid can be granted to companies **through a financial lessor**.

Eligible costs	Excluded
All costs relating to the necessary investments to create or increase the charging capacity of a charging infrastructure, in particular: • the charging station(s) • The grid connection and grid reinforcements (NB: a storage installation is eligible when it contributes to the reduction of the connection capacity needed for the charging infrastructure) • the intelligent load management system (smart charging) • devices enabling the transmission of data • the payment system • site signage • associated civil engineering works	• second-hand components • accessory components such as a roof, photovoltaic panels, etc. • operating costs • the costs that the company must incur to comply with the legislative, regulatory, or administrative provisions in effect • preliminary study costs

- Eligible costs exclude taxes and other levies

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Incentive effect and exclusions

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- The aid **must incentivise** the company to carry out the project, which is not the case if it had carried out the project in the absence of state aid. The **incentive effect** of the aid is presumed when the company has **submitted an application before the start of the works**.
  - i.e. either the start of construction work related to the investment, or the first legally binding commitment to order equipment or any other commitment making the investment irreversible. The purchase of land and preparations such as obtaining permits and carrying out feasibility studies are not considered as the start of the works.
- Are also **excluded:**
  - companies in difficulty
  - companies that have not executed an order to recover aid that has been declared illegal or non-compliant with the internal market by the European Commission
  - the accumulation of multiple aids granted under this law
  - cumulation with other aid for the same eligible costs

Eligibility criteria

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- **The charging infrastructures:**
  - are 100% powered by **renewable electricity**
  - are **put into service within twelve months** of the granting of the aid (except for duly justified reasons unrelated to the beneficiary company)
  - are **operated for at least 5 years;**
  - are **not intended for resale or rental**, with the exception of **financial leases** which provide that the lessee acquires the charging infrastructure at the end of the contract
  - offer **reasonable prices that are easily and clearly comparable and transparent** to end users
  - if installed on the land of a third party, the owner's **principle agreement concerning the use of the land** must be attached to the request

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Eligibility criteria (continued)

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- **Publicly accessible infrastructures must meet the following additional conditions:**
  - Ad-hoc payment (+ price displaying)
  - Non-discriminatory with regard to the accessibility conditions and the prices charged to mobility service providers
  - Communication of static and dynamic data
  - Unavailability rate < 5% per charging point, and < 1.5% overall if the infrastructure contains >= 4 charging points
  - Accessibility to the public without prior notice (some possible limitations, e.g. paid parking)
  - If public land: renewable electricity purchase agreements and Chargy OK integration

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Yann Trausch

Klima Agence GIE

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Axis 1: Aid for charging infrastructure granted following a competitive bidding process

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Charging infrastructure	Publicly accessible (24/7)	Semi-accessible to public (>=10h/day & 5d/week)	Private
Minimum charging capacity per project		175 kW	
Absolute aid ceiling per company (group) in a given call for projects		1,000,000 €	
Maximum aid intensity (*)	50%	40%	30%
Capacity weighing factor for the selection on the basis of the lowest amount of aid per charging capacity created	100%	80%	60%
Examples	Charging infrastructure on public roads, petrol stations, airports, etc.	Gated supermarket parking, public parking without access at night, …	Delivery fleet, Charge@work for employees, …

*(*) by way of derogation, the maximum aid intensity can be **increased to 70%** if the call for projects is limited to a certain category of infrastructure (e.g. trucks or a certain region)*

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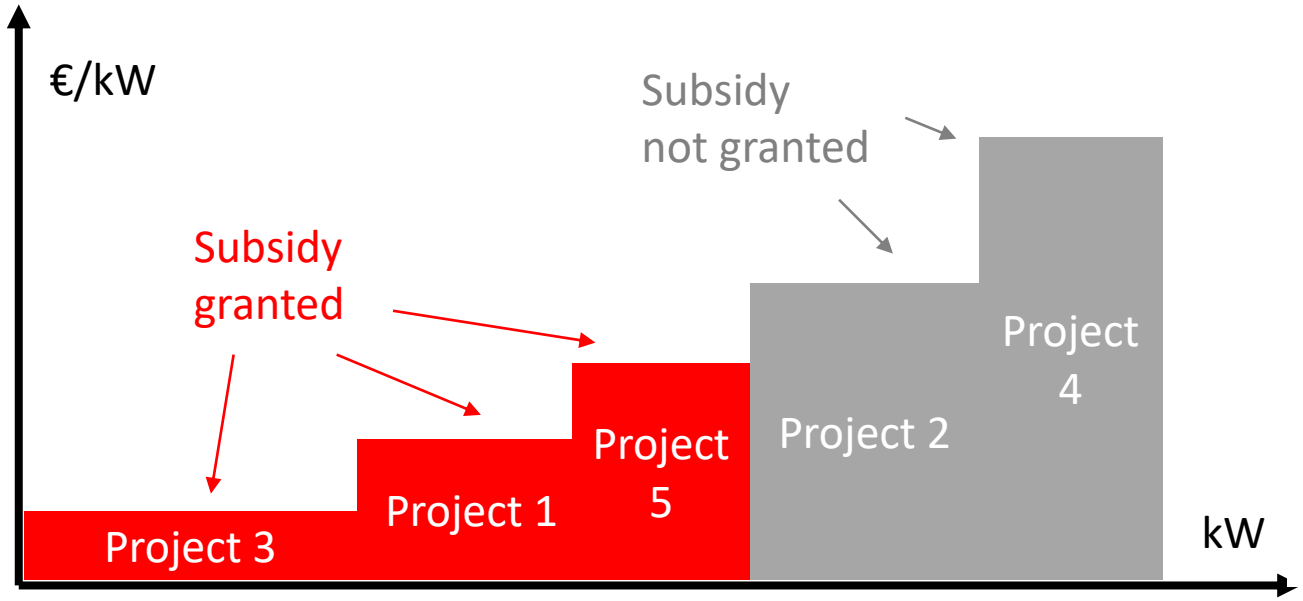
Axis 1: Illustration of project selection

example presented for illustrative purposes only!

Project #	Capacity [kW]	Accessibility [h/24, d/7]	Subsidy requested: absolute value [€]	Subsidy requested: intensity [€/kW]	Subside requested: weighted intensity [€/kW]
1	1500	Private	90,000	60	= 90 000 / (1500*0.6) = **100**
2	1500	24/24, 7/7	300,000	200	= 300 000 / (1500*1.0) = 200
3	2000	24/24, 7/7	100,000	50	= 100 000 / (2000*1.0) = **50**
4	1000	Private	180,000	180	= 180 000 / (1000*0.6) = 300
5	1000	10/24, 5/7	120,000	120	= 120 000 / (1000*0.8) = **150**



Budget of the call for projects: 400,000 €

NB: The maximum budget of the call for projects is published beforehand and can in no case exceed 7M€

Subsidies granted (Projects 3, 1, 5): 100,000
+ 90,000
+ 120,000
= **310,000 €**

NB: at max. 90% of submitted projects are selected

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Axis 1: Points to consider

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Points to consider when preparing a submission under Axis 1:

- Charging capacity considered for the call for projects:
  - AC: sum of the nominal capacities of the charging points (regardless of the grid connection capacity)
  - DC: sum of the maximum capacity that can be made available simultaneously for a minimum duration of one hour (@400V)
- A company can submit several projects for a given call for projects.
- When a project involves several charging infrastructures offering different degrees of accessibility, for the purposes of selection, it is treated as a project involving charging infrastructures offering the lowest degree of accessibility.
- Publicly accessible charging stations are subject to different specific requirements, but also allow a high maximum rate of aid and a favorable weighting in the selection of projects.

  → Allocate projects wisely!

Axis 1: Illustrative example

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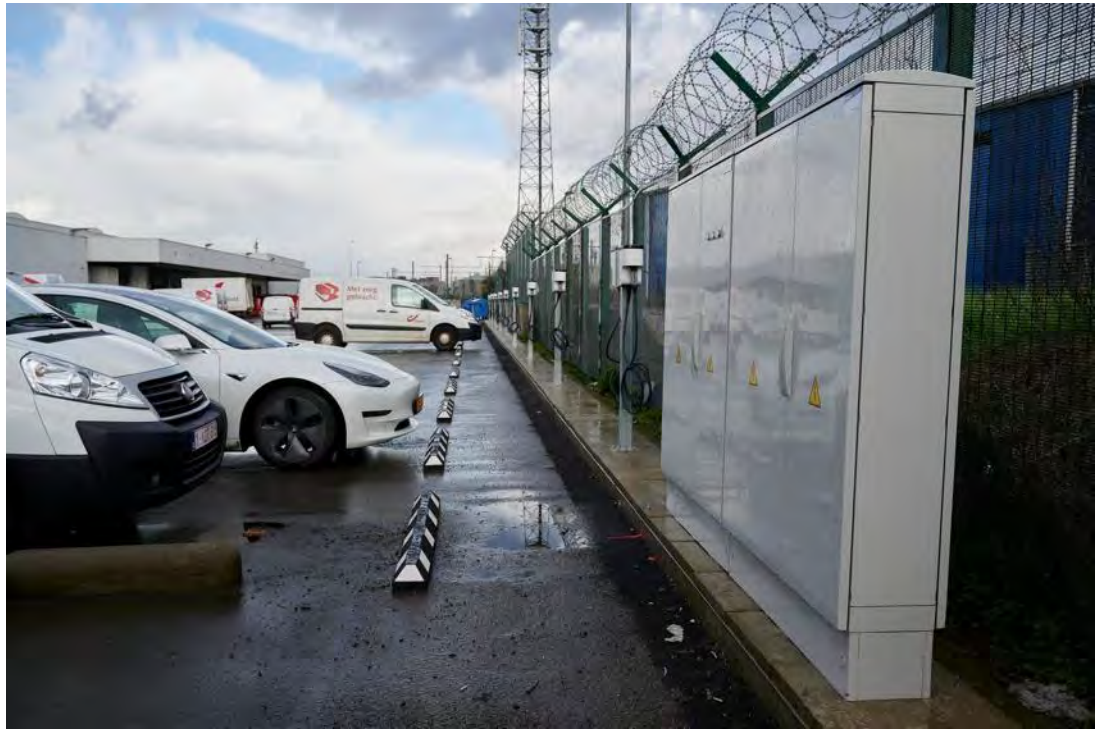

Car park equipped with semi-public AC charging stations

50 charging points 22 kW
Type 2 (AC) : 50 x 32 A x 3 x 230 V = 1.1 MW
(= charging capacity considered for the call for projects)

Estimated costs (including network connection):
207,200 €

Maximum subsidy:
82,880 €

example presented for illustrative purposes only!

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Axis 1: Illustrative example

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Photo: Electrify America

XL Charging Park

16 « Hypercharger 300 kW » stations
500 A x 400 V = 16 x 200 kW = 3.2 MW
(i.e. charging capacity considered for the call for projects = 3.2 MW)

Estimated costs (including network connection):
2,080,000 €

Maximum subsidy:
1,000,000 €

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Axe 2: Aid for charging infrastructure restricted to small and medium-sized enterprises

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Charging infrastructure	Small enterprise	Medium enterprise
Maximum aid intensity	40%	30%
Possible markup for smart charging (>= 4 stations)	+10%	
Max. aid intensity for network connection costs	60%	
Absolute aid ceiling per company (group)	40,000 € for the costs relating to the increase of the charging capacity of the charging infrastructure, excluding connection 60,000 € for the network connection costs	

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Axis 2: Points to consider

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Points to consider when preparing a request under Axis 2:

- Absolute subsidy ceiling (40,000 € + 60,000 €) applies to the company, i.e. the group
- Application must be submitted before work begins
- Each company (group) can submit only one aid request for a project per year, but the absolute ceiling applies to the total aid of the lifetime of the regime

Axis 2: Illustrative example

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Photo: Powerdale

Private charging infrastructure for employees of a medium-sized company

4 charging points 22 kW
Without intelligent load management system

Estimated installation costs:
9,500 €
Estimated network reinforcement costs:
5,000 €

Maximum subsidy:
5,850 €

example presented for illustrative purposes only!

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Axis 2: Illustrative example

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"Slow" charging infrastructure for a small company in an indoor parking lot equipped with 16 charging points

Including intelligent load management system that adapts the power made available by the stations in response to constraints external to the system

Estimated installation costs:
38.000 EUR
Estimated network reinforcement costs:
25.000 EUR

Maximum subsidy:
34.000 EUR

example presented for illustrative purposes only!

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Axis 2: Illustrative example

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Photo: ABB

2 fast-charging stations 150 kW

2 stations 150 kW

Estimated installation costs:
150,00 €
Estimated network reinforcement costs:
120,000 €

Maximum subsidy:
100.000 € (= ceiling)

example presented for illustrative purposes only!

Subject to the finalisation of the legislative and regulatory procedures

Procedure and preparations

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- The aid scheme is subject to the finalisation of the legislative and regulatory procedures
- The measure **will likely enter into force this summer** (not before June 2022)
- **In the meantime, interested companies could already examine / plan certain aspects, e.g.:**
  - ✓ Need in number and capacity of charging points as well as the mode of use
  - ✓ Capacity of the available electrical network and, if applicable, necessary reinforcement measures
  - ✓ Public accessibility models
  - ✓ Possibilities of a smart charging system
  - ✓ Costs and aid intensity required
- … but **without starting construction work** related to the investment or **making any legally binding commitment** to order equipment or any other commitment making the investment irreversible

Support measures

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- Submission of the request for aid and the request for payment via the **Myguichet** platform;
- Support by **Klima-Agence** and **Luxinnovation** to accompany companies in their efforts
- Publication of a **FAQ** on Guichet.lu

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klima agence luxembourg

Guichet.lu

Yann Trausch
Klima-Agence G.I.E

Grant scheme in favour of charging infrastructure
Klima-Agence offer

Klima-Agence accompanies you

Within the framework of the aid scheme, Klima-Agence offers the following services:

- **Facilitator** for the purposes of the technical realisation of a project
  - Standardised documentation
  - Information on the procedures in place
  - Matchmaking via www.pro-charging.lu
- **Taking charge** of project carriers
  - Promotion of matchmaking (municipalities <–> project developers)
  - Interaction with other groups (e.g. individuals, non-profit organisations, etc)
- General **sensibilisation** concerning e-mobility

Grant scheme in favour of charging infrastructure
Klima-Agence activities

Branding update in progress!

Brochure « Comment charger votre voiture électrique ? »

- Regular updates, in particular with regards to the adaptations of the state subsidies
- Target group: general public

- https://www.klima-agence.lu/fr/particuliers/mobilite/charger-votre-voiture-electrique

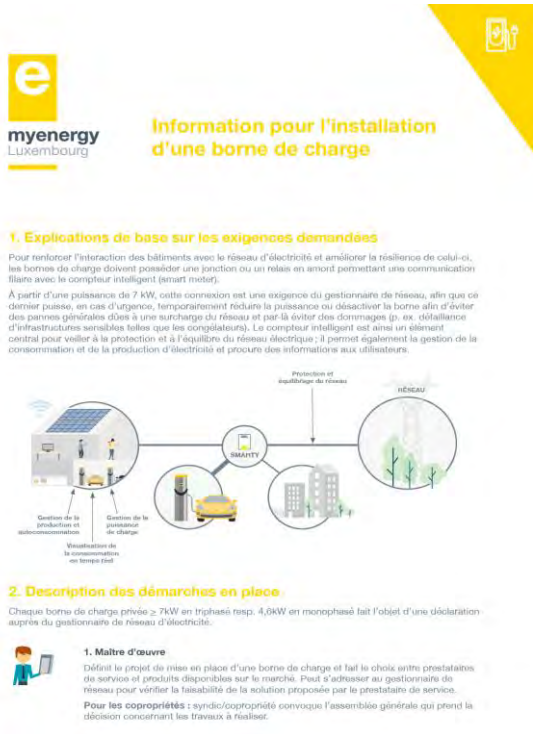
Grant scheme in favour of charging infrastructure
Klima-Agence activities

Branding update in progress!

Planning guide for residential and functional buildings

- Periodic adaptations according to the evolution of the legal and technical requirements, as well as the evolution of the market
- Developed jointly with the Ministry of Energy and Spatial Planning, the DSO and external consultants
- Target group: experts (architects, engineers, planners, etc.)
- https://www.klima-agence.lu/fr/experts/boite-a-outils/dialoguer-avec-vos-clients

Grant scheme in favour of charging infrastructure
Klima-Agence activities



Information sheets to assist tradesmen and individuals in the installation and inspection of a charging station

Target group:

- Simplified version for individuals, SME and artisans
- Detailed version for tradesmen

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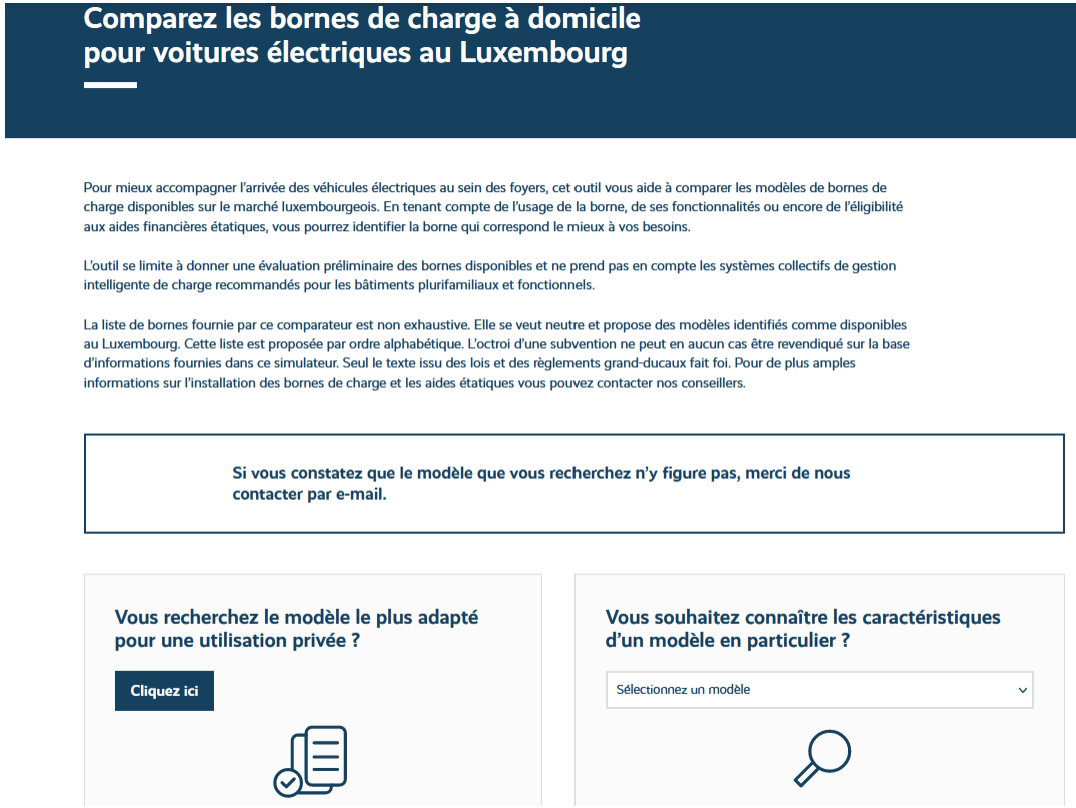
Klima-Agence activities

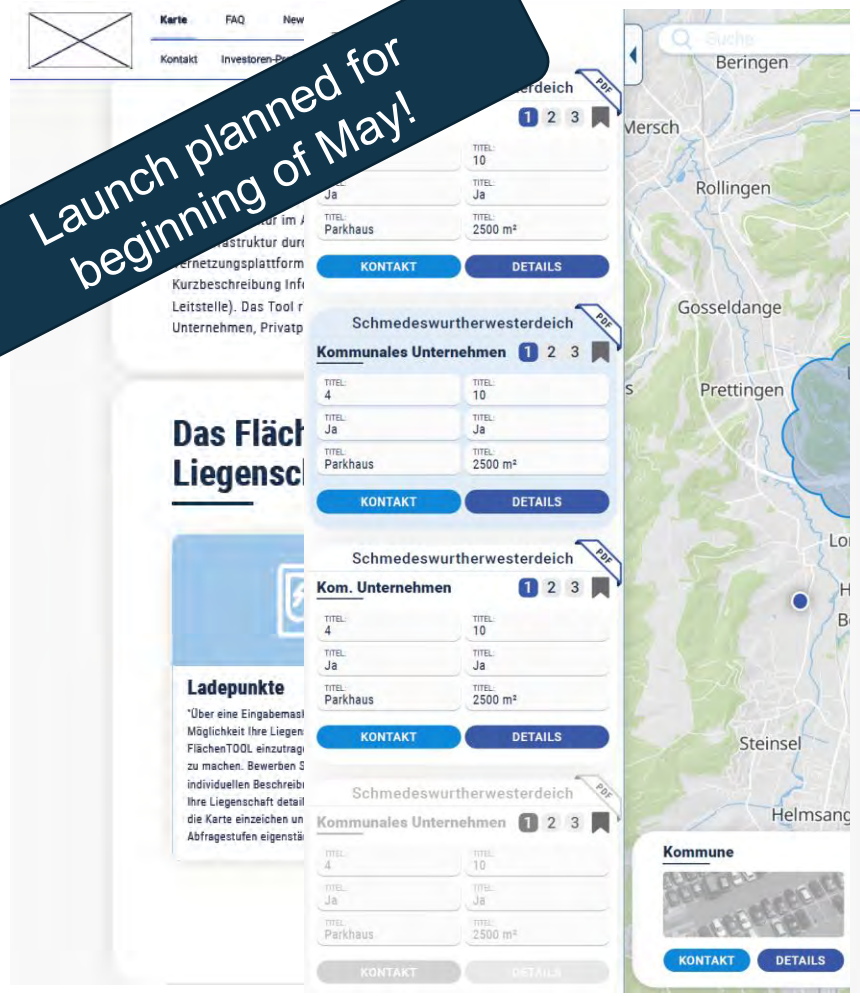


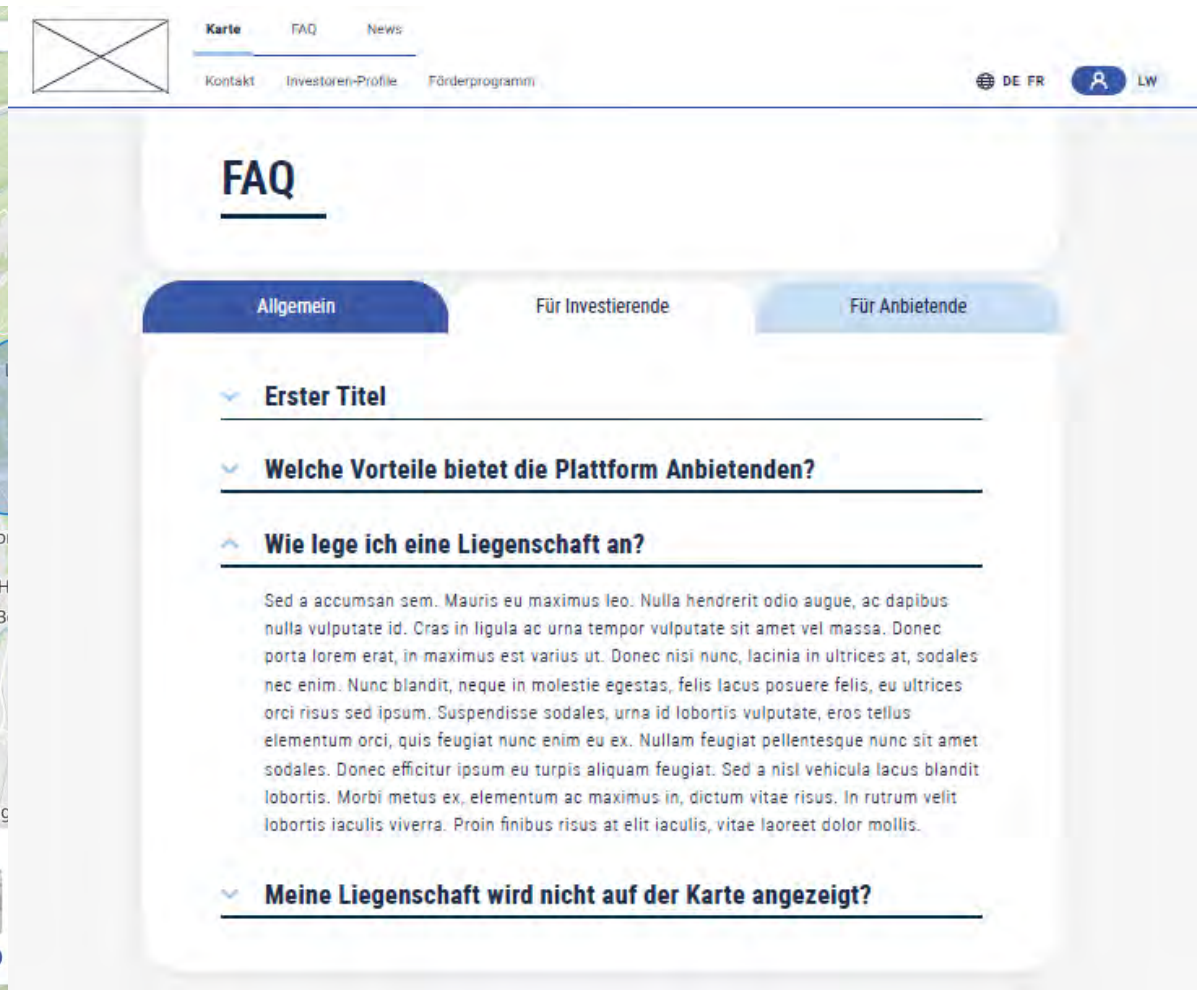
Charging station comparison tool

https://www.klima-agence.lu/fr/bornes-charge

- Request for additions via e-mobility@klima-agence.lu
- Regularly updated according to the requests received
- Target group: individuals, SME, tradesmen

Grant scheme in favour of charging infrastructure
pro-charging.lu





Grant scheme in favour of charging infrastructure
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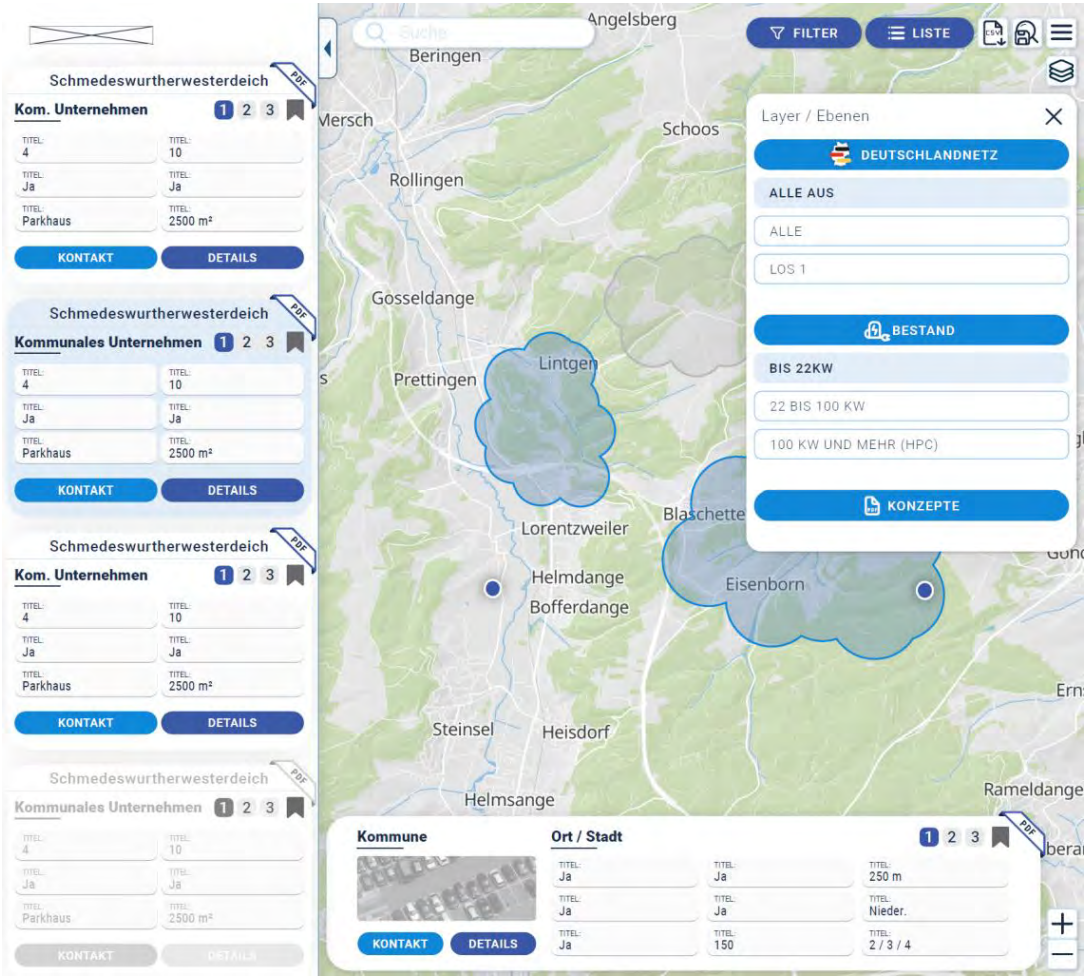

Matchmaking tool for municipalities and investors

- Interactive tool, freely accessible (registration needed to receive access to all functions)
- Interactive map indicating surfaces available for the installation of a public charging infrastructure
- Interested parties can contact the owners via this tool
- Possibility to get information on mobility concepts of the corresponding municipalities
- FAQ and additional information concerning the grant scheme

Grant scheme in favour of charging infrastructure
Link with Climate Pact 2.0

Within the framework of the Climate Pact 2.0, municipalities can promote their efforts in the field of sustainable mobility.

In terms of **strategy**

- Mobility and circulation planning

In terms of **concrete projects**

- Electrification of municipal vehicles
- Parking space management according to the sustainable mobility strategy
- Multimodal offer based on a needs assessment

In terms of the **collaboration with their citizens and enterprises**

- Communication with citizens and enterprises
- Financial support via grant schemes

Maximilian Przybyl

Luxinnovation

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Support from Luxinnovation

Understand company needs

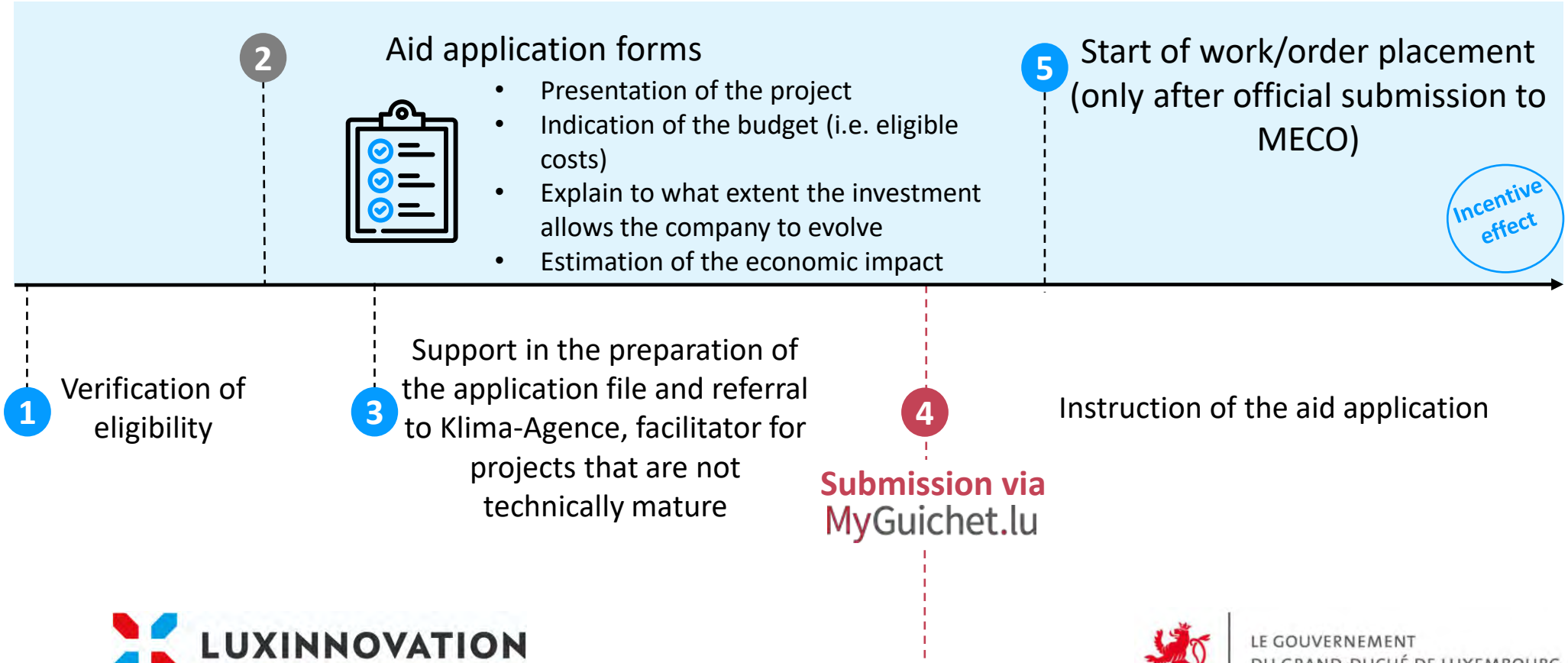
Define project scope and assess funding need

Identify most suitable funding schemes and possible research partners (public-private partnerships, Eureka/Eurostars, etc.)

Coaching (interdisciplinary approach)

Application for RDI/ENV funding submitted to the Ministry of Economy

Steps to apply for a state aid from the Ministry of the Economy



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Ministère de l'Économie

European legal framework
Due Diligence of Luxinnovation- eligibility criteria:

Aid rates according to the company size

- Aid rates vary according to the size of the company (small, medium or large)
- The size of the company is assessed at the perimeter of its single economic entity (broad notion of Group)

Undertaking in difficulty

Companies considered to be "in difficulty" (accounting ratios) are not eligible for state aid

Cumulative rules

The same expenditure cannot be supported twice

Incentive effect

- **All companies**: no retroactivity
  The application for aid must be submitted before the work starts / orders are placed

Recommendations

What should the company do?

- Estimate **its costs** and **describe the investment**
- Explain **the impact** of the investment
- Apply for the required **authorisations**
- Fulfil the **evaluation criteria** of the Ministry of the Economy
- Submit your application via **Myguichet**

What can Luxinnovation offer?

- Checking **eligibility criteria**
- **Assistance** in using the application forms
- Assistance in calculating **the size of the company**
- **Methodological support**
- **"Deciphering"** regulations / laws / exceptions
- **Advice, networking** etc.

Contact us:
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Contacts

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Charging infrastructure aid scheme

Do you have any questions?

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