New aid scheme for companies investing in charging infrastructure for electric vehicles

Frequently asked questions

Procedure

1.1. What investments (costs related to the network?) are subsidised? Are there any exceptions to the subsidy?

Only CAPEX, such as the charging stations, civil-engineering works, soft- and hardware of the smart charging system.
The following costs are not eligible: the costs of feasibility studies, permit fees, the redevelopment of a parking lot, or the use of ancillary elements such as roofs or photovoltaic installations.

1.2. Are projects using leased charging stations eligible?

Yes, under the condition that the aid is fully passed on from the lessor to the beneficiary company.

1.3. Is it possible for municipalities to submit proposals (cooperation with a partner)?

A municipality as an administration cannot submit an application for aid. It can, however, offer suitable municipal land for a fee to eligible companies, on which they can build a charging infrastructure.

1.4. Is it recommended to systematically submit different proposals for infrastructures with different levels of accessibility?

Each company is free to structure its proposals as it wishes. In most cases, it is likely that separating infrastructure of different levels of accessibility into different proposals is preferable for the company. However, there may be cases in which a company decides to submit a proposal that combines different levels of accessibility. This is in particular the case if the proposals have logical interdependencies, or if a part of the proposal would not allow the 175 kW threshold to be reached.

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1.5. Can public actors participate in the project?

Any legal entity carrying out an economic activity can apply for the aid. It is worth mentioning that a company cannot acquire a charging station in order to sell or rent it to a third party (except for leasing).

1.6. Can a real estate developer who plans to install charging stations in an office building project, which would be sold with the various office spaces at the end of the real estate development operation, benefit from this aid?

No, a charging infrastructure that is intended for resale is not eligible. It should also be noted that the charging stations installed in accordance with the obligations arising from the Grand Duchy's regulation of 9 June 2021 concerning the energy performance of buildings or any other legal obligation are not eligible.

1.7. Is the installation of charging terminals for electric buses eligible under the present state aid scheme?

Charging infrastructures for electric buses are eligible under the present scheme as long as the principle of incentive effect is fulfilled. An infrastructure dedicated to buses with an obligation to be electric (e.g., RGTR) is not eligible.

1.8. Are non-grid-connected charging stations that are connected to a stand-alone renewable energy system (e.g. wind or PV, possibly + batteries) eligible?

The law does not exclude the eligibility of this type of charging stations. However, they have to meet the same criteria as the charging stations connected to the network, including the criteria related to the level of unavailability.

1.9. Are private charging facilities without tariffs or payment systems (e.g., for employees or service vehicles only) eligible?

Yes, these infrastructures are eligible, but the level of aid is capped at 30%.

1.10. What can be done if a municipality does not allow the installation of charging stations?

Charging stations must be installed in accordance with the laws and regulations in force.

Proposal implementation

2.1. How can access to the charging stations be regulated? How can we guarantee easy access to our visitors/customers?

Any publicly accessible charging infrastructure must be accessible without prior request by the user. However, the owner/operator of the terminals may still require the user to pay for access to the parking lot.

2.2. Is there a strict definition of a publicly accessible terminal?

A publicly accessible charging infrastructure is defined as a facility where the charging stations are accessible to the public on an unannounced, non-discriminatory basis. If necessary, the infrastructure provider can request a fee for accessing and/or using its facility. It can therefore be on a paid parking lot or be secured by a barrier, provided the facility can be accessed without giving prior notice to the operator. It must be physically accessible at least 10 hours a day, five days a week and 12 months a year.

2.3. Which operators can be contacted to initiate a project?

Klima-Agence and Luxinnovation are the main points of contact for the structuring of the project and the administrative aspect of the application respectively.

As far as the execution of the project is concerned, any electrician with the necessary authorisation can install the charging stations. The market for charging stations is gaining momentum, especially in terms of players who can help with project planning. In order to facilitate this, GIE Klima-Agence set up a platform (www.pro-charging.lu) to facilitate the connection of these actors with landowners interested in installing charging infrastructure. Landowners can list available land, while businesses interested in installing charging infrastructures can create a profile on the platform describing their services.

As for information about the available electrical power at a certain location, the interested company can contact its distribution system operator.

2.4. How does interaction with the DSO proceed to define the power and work required for the project in question?

The DSO can indicate the available power at the location where a project is being developed. This request should be made in the initial phase of a project, once the basic characteristics of the project are known. The DSO can also provide a cost estimate for a power increase.

2.5. If a capacity increase of the network connection is required, are related costs eligible? Can these costs be estimated when responding to the call for tenders if the DSO's estimate is not provided by the deadline for the tender? Will the aid then be adapted to match the actual cost to the DSO?

The costs of a capacity increase of the connection are eligible and form part of the costs to be considered when submitting the proposal. The aid granted cannot be adjusted upwards once the tender is closed. Therefore, these costs must be known or estimated accurately when preparing the tender.

2.6. Reasonable prices for publicly accessible charging points: how is a reasonable charging rate assessed?

Prices charged must comply with the rules of competition and must be justified on the basis of real costs and not diverge from market practices.

2.7. How will the unavailability rate of charging stations be assessed? Will a systematic blocking of the charging station at a publicly accessible station by non-charging vehicles, for example, be considered "unavailable"?

The rate of unavailability of public charging stations will mainly be checked based on technical data (charging stations in operation or out of operation). A blockage of the charging station by a non-charging vehicle is not under the control of the operator and will therefore not be considered as "technical unavailable".

2.8. Non-discriminatory access to the public: can differential pricing (e.g. cheaper for employees or customers of the main activity) be considered discriminatory for public access to the terminal?

The charging infrastructure operator shall provide access to its infrastructure on the same terms to any mobility service provider that requests it. The price it charges directly to end-users (e.g. for pay-as-you-go) may only differ proportionately and justifiably from the price charged to the charging service providers. This does not prevent it from offering more advantageous conditions to its customers or employees in its role as a charging service provider.

2.9. What if the representative is not a lessor? What if a third party (e.g. trustee) applies on my behalf?

Any eligible company can provide a mandate to a third party (e.g. trustee) to submit the application via *MyGuichet*. There are currently two options available:

- Application for the aid is submitted via the business section of the beneficiary company. In this case, the company must give access to its business account to its representative. Please consult the guide: https://guichet.public.lu/en/support/aide/creation-espace-prive-professionnel.html

- Application for aid submitted via the professional section of the agent on *MyGuichet*.

It should be noted that in both cases, the parties authorised to act on behalf of the company are required to provide a mandate to the third party (e.g. trustee), which has to be attached to the application.

2.10. What technical requirements must be met when installing charging stations ?

Charging stations must comply with national and European standards and regulations in force at the time of installation. They must also be powered by 100% renewable energy. Terminals located on property belonging to the State and municipalities must be powered through renewable power purchase agreements. If they are accessible to the public, they must also be integrated into the central system of the Chargy platform (Chargy OK terminals). Some other obligations apply to all publicly accessible terminals, including:

- assurance that the downtime rate at the charging point does not exceed 5 percent and, for charging infrastructure containing four or more charging points, that the downtime rate from the charging infrastructure does not exceed 1.5 percent;
- all charging points have to be connected charging points;
- sharing of static and dynamic data about the charging point through the national access point.

2.11. What technical requirements must be met when installing ultra-fast charging terminals?

The requirements listed for the previous question apply. Ad-hoc payment requirements differ from those of DC terminals in the sense that payment via bank card must be possible on the infrastructure.

2.12. Mandatory invoicing? Whether in the framework of the call for projects (Axis 1) or in the framework of Axis 2 for an SME, does the obligation of economic exploitation mean that each charging station, even if it is completely private, (1) must be equipped with a payment system, (2) that each charge must be invoiced (even for employees/stock of vehicles for sale/company fleet?)

Publicly accessible charging stations should be equipped with a billing system and display transparent, reasonable and fair prices, regardless of the nature of the users. Charging stations for private use (not accessible to the general public) are not subject to this requirement.

2.13. Are there any requirements for the management system, specifically for large projects, beyond the compatibility with the Chargy system?

Charging stations installed on private and public domains of the State and municipalities must be integrated into the central Chargy system. Charging stations located on private property can be connected to a backend of choice. There is no limitation in this regard.

2.14. Should the price displayed for ad-hoc payment be on the terminal or in an app?

For AC terminals, the ad-hoc payment can be done via an application accessible from a QR code affixed to or displayed on the terminal. In this case, the price can be shown in the application. For DC terminals that must have a credit card reader, the price must be shown on the terminal – on a screen for example.

2.15. Is a paid parking lot with access control and 24/7 access considered a publicly accessible infrastructure?

Yes, provided pre-registration is not required.

2.16. Is a parking lot reserved for employees and customers of the shop considered a publicly accessible infrastructure?

If the charging infrastructure cannot be made available to the general public without prior authorisation, it cannot qualify as a publicly accessible charging infrastructure.

2.17. What charging capacity is considered for DC chargers with a battery backup system enabling a higher capacity for a short period of time?

The capacity considered is the capacity that can be delivered continuously by the infrastructure for one hour.

2.18. « Smart charging » or « intelligent charging »: What does it involve?

Electric vehicle charging controlled by a computer system that allows the power provided by the connected charging stations to be adapted according to constraints that are external to the system.

How can companies demonstrate that they are installing this equipment? Are there any referenced materials?

It consists of a computer system, which makes it possible to centrally manage the power provided by the charging stations based on external constraints such as the power available from the infrastructure as a whole, or the production of a production plant. The manufacturer or installer of the equipment will be able to certify that the equipment meets the requirements.

2.19. What methods exist for the invoicing of the charging service (especially for public projects)?

Any publicly accessible charging infrastructure must, at a minimum, allow ad-hoc charging, meaning users must be able to charge without a prior subscription. For DC terminals, it must be possible to pay with a bank card on a terminal that is part of the charging infrastructure. For AC terminals, an online payment solution for example via a QR code on the terminal is allowed. Any other payment method (RFID card, etc.) may also be used.

2.20. What costs are directly related to charging stations?

The costs of charging stations as well as the costs that ensure the proper functioning of charging stations.

Therefore, the following costs are also considered as eligible costs for charging stations:

- Electrical panel and associated installation costs

- Wiring of charging stations and their installation

- Drilling related to the installation of a charging station

Therefore, these costs cannot be considered as grid connection costs.

2.21. Is safety equipment such as a fire extinguisher included in the reimbursable costs?

No, additional security expenses such as the purchase of a fire extinguisher are not eligible.

Axis 1 – Call for projects

3.1. What criteria will the call for tenders use for scoring/tie-breaking? Will only the weighted average in €/kW be the criterion used to decide between offers in the same category (public, semi-public, private), or could other quantitative or qualitative criteria also be applied (e.g., recharging access price)?

The only selection criterion will be the aid requested per kilowatt of newly created capacity weighted by a factor related to the degree of accessibility of the charging infrastructure. Several eligibility criteria can lead to the exclusion of an offer. For example, only proposals from the same company for the same cadastral lot will be accepted.

3.2. From what date can the company commit to the investment without risking breaking the incentive effect, particularly in the framework of Axis 1? From the moment the company submitted its application in response to the call for projects, or from the moment the Ministries notified the selected projects?

From the date of the submission of the application file via *MyGuichet*, without necessarily waiting for the date of granting by the Ministries. However, it should be noted that the company runs the risk of not receiving state aid for the project in question.

3.3. When will the call for projects be issued?

The first call for projects for axis 1 (call for projects) will be open from 30 July to 30 September 2022. Further calls for projects will be organised at a later stage.

3.4. How long will businesses have to respond?

Businesses have two months to submit their application via *MyGuichet*.

3.5. Are there size requirements for projects to be eligible for the calls for projects? (minimum or maximum number of charging terminals or points)?

To be eligible for the call for projects, a project must create or add a minimum charging capacity of 175 kW. The charging capacity is defined as the electrical power, expressed in kilowatts that can be provided by a charging infrastructure. The definition differs between alternative current (AC) and direct current (DC) infrastructure.

For charging infrastructures consisting of AC charging stations, the charging capacity is defined as the sum of the nominal power of the charging points.

For charging infrastructures consisting of DC charging stations, the charging capacity is defined as the sum of the maximum power that can be provided simultaneously for a minimum of one hour by the charging points of the charging infrastructure at a charging voltage of 400 volts is considered to be the charging capacity.

3.6. What is the ministerial deadline for notifying the results of the call for proposals?

The responsible ministries attempt to process the call for projects within three months.

3.7. How many annual calls for projects are planned and to what extent?

This depends on the demand and the results of the first call for projects. A second call for projects is very likely for the year 2023.

3.8. Can you submit different proposals for the same cadastral number if they differ in their degree of accessibility to the public?

Yes, as long as the proposals are submitted by the same company.

Axis 2 - SME

4.1. Which costs fall under the "grid connection". How should the invoice be structured?

Any costs that are necessary to reinforce the grid connection to match the desired load capacity of your charging facility. If there is no need to reinforce the connection, this section does not apply.

4.2. Is there a minimum capacity for axis 2?

No, for Axis 2 the total load capacity of your charging infrastructure is not relevant for the eligibility of the application.

4.3. Is the installation of single sockets eligible under axis 2?

No, in general, the installation or use of charging points for electric vehicles is not recommended or supported. The subsidy only applies to charging stations with a capacity of more than 3.7kW.

Diverse

5.1. Are the preliminary studies entrusted to external service providers for the dimensioning of the project, the choice of the type of charging stations, etc. eligible for further funding?

Only SMEs can apply for "external consultancy" aid on the basis of the amended law of 9 August 2018 on an aid scheme for small and medium-sized enterprises. The application must be made via *MyGuichet*.

5.2. What are the consequences if the company receiving the aid does not install the capacity indicated in its application for aid?

A case-by-case analysis is required and the company runs the risk of having to reimburse some or all of the aid.

5.3. How can companies prove that they are installing such equipment? Are there any referenced materials?

The system is based on a computerised system, which allows the power made available by charging stations to be managed centrally on the basis of external constraints, such as the power available to the infrastructure as a whole, or the output of a generating plant. The manufacturer or installer of the equipment will be able to certify that the equipment meets the requirements.

Need more information ?

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