Fostering Share&Charge through Proper Regulation

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How to create a proper regulation to foster the development of platforms like Share&Charge?

- Functioning and assets of Share&Charge
- Legal issues associated with the development of platforms like Share&Charge
- Policy recommendations
Share&Charge: Functioning
Share&Charge: Assets

**Electric vehicles**
- Charging infrastructure
- Financed by the private sector (no public expenses)

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**Electricity grid**
- Reduces grid congestion due to EV charging

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**Decentralized electricity production**
- Reduces grid overload (V2G)
- Increases flexibility (matches local demand and local production)
Scenarios: Case 1

Sale of electricity and of green certificates

Electricity producer

Price for the electricity sold and for the green certificates

Electricity supplier
Scenario: Case 2

**Electricity producer** -> **Operator – electricity reseller** -> **Customer**

- **Motionwerk**
  - Intermediary service
  - Price

- **Share&Charge**
  - Price

- **Electricity producer**
  - Sale of electricity
  - Price

- **Operator – electricity reseller**
  - Sale of electricity + provision of EV charger
  - Price

- **Customer**
  - Price
Scenario: Case 3

Electricity producer

Operator – electricity producer

Customer

Motionwerk

Share&Charge

Intermediary service

Price

Sale of electricity

Sale of electricity + provision of EV charger

Price

Price
Share&Charge Disrupting or Challenging Existing Tax Frameworks

- New actors
- New structures
- New operations

Existing categories

Existing Regulation

Regulatory gap

Legal consequences
Legal Issues: scenario 1

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<tr>
<th>Energy Taxation</th>
<th>Personal Income Tax</th>
<th>VAT</th>
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<tr>
<td>• Definition of prosumers</td>
<td>• No specific rules but favourable interpretation</td>
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<tr>
<td>• Implementation of advantageous scheme</td>
<td>• Electricity supply and sale of green certificates NOT</td>
<td>• Depends on whether sale of electricity surplus (in function of the</td>
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<tr>
<td>• Net metering</td>
<td>taxable</td>
<td>meter used)</td>
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<tr>
<td>• Premium (quali watt)/ green certificates</td>
<td>• If installations exclusively used in the private sphere</td>
<td>• And on whether the electricity producer is already a taxable person</td>
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## Legal Issues: Scenario 2 & 3

### Energy Taxation

- **Qualification:**
  - Scenario 2: Electricity supplier or end consumer?
  - Scenario 3: prosumer? Electricity supplier?

- **Consequences on licenses requirement and taxes/fees/tariffs due**

### Personal Income Tax

- **Qualification of the incomes**
  - Sale of electricity
  - Provision of the EV charger
  - Sale of green certificates - scenario 3

- **Professional income?**
- **Income from movable/immovable property?**
- **Miscellaneous income?**
- **Normal management of private assets?**

### VAT

- **Qualification of the operations: supply or services/supply of goods?**
  - Sale of electricity
  - Provision of the EV charger
  - Sale of green certificates - scenario 3

- **What is the primary operation?**
- **Qualification of the platform (Share&Charge): agent or commissioner?**

- **Consequences on the rate and right to deduction**
  - Normal rate of 21%?
Conclusion and Policy Recommandation

![Diagram](image-url)
Conclusion and Policy Recommendations

► Some of the existing concepts are poorly suited or legal consequences unsatisfying
  ▪ Recommandation 1: Enact regulation to consider operator of platforms like Share&Charge an end consumer
  ▪ Recommandation 2: Clarify the legal status of the platform

► Current tax framework is extremely favorable to prosumers injecting electricity into the grid but not to other forms of electricity storage
  ▪ Recommandation 3: Remove this discrimination/differentiation and value V2G models

► Preferential treatment for specific operations of the sharing economy but does not apply to models like Share&Charge
  ▪ Recommandation 4: Modify current framework to value models like Share&Charge for providing infrastructure and reducing grid congestion
Thank you for your questions/comments