

Lessons from delayed deployment of alternative-fuel stations in Ireland

FTAI members are committed to increasing the environmental efficiency of their operations. Alternative fuels have a key role to play in improving the environmental credentials of transport and logistics. Progress on achieving the targets set in the alternative fuels infrastructure directive is too slow. In Ireland the deployment of Compressed Natural Gas (CNG) stations is being significantly delayed compared to the announced timeline on the basis of which road transport operators purchased CNG-powered vehicles. The lack of refuelling stations when the vehicles were delivered left them with unusable trucks and an investment that can't start generating any return. This is particularly worrying in an industry mainly comprised of small businesses operating on thin margins.

Explaining factors and consequences of delayed roll-out:

Gas Networks Ireland (GNI) won the tender for EU 'Causeway' project which benefitted from EU CEF funding in 2016 to deliver 14 CNG refuelling sites on the TEN-T network in Ireland by 2020. Currently there is only one publicly available site in Dublin Port ('Circle K'). 14 refuelling sites will not be delivered by 2020

1. Issues identified by GNI:
 - a. Planning issues
 - b. Lack of a proper roll-out feasibility study
 - c. Ownership of garages created problems
 - d. GNI started incentivising the purchase of CNG-fuelled vehicles through grants before any CNG refuelling sites were available
 - e. Once the grants distributed, the operators were given 260 days to purchase a CNG truck – this tied up the majority of grants until they were released back into the system
 - f. Operators are now being put off because of infrastructure issues whilst manufacturers are reluctant to invest in CNG vehicles due to the alleged lack of interest of the haulage industry. Miscoordination resulted in this chicken and egg situation.
 - g. Other projects for fuelling were delayed e.g. Cashel as the ESB -the state-owned electricity company- need to install an electric mini station to power the fuelling technology
2. Plans and promises were made repeatedly but deadlines have come and gone
 - a. Implications for industry is that serious operators (first movers) are out of pocket and invested in a technology that does not work
 - b. This creates distrust in the market and reduces interest for change
3. Lack of Government focus and support to infrastructure roll-out: the Government's focus has been more on shaming diesel use rather than looking for solutions now that aid the transition to zero-emissions.

FTAI recommendations

FTAI supports further EU action in favour of the deployment of recharging and refuelling stations.

- ▶ The EU framework must not put first movers at a disadvantage. This is crucial to restore trust and ensure businesses can confidently drive the transition towards lower-carbon and zero-carbon vehicles. Therefore, technologies in which operators have started investing, such as CNG, must remain in scope of Directive 2014/94 on the deployment of alternative fuel technologies.
- ▶ In order to avoid deadline slippages and discrepancies between national deployment plans and actual delivery, FTAI suggests the introduction of a stricter monitoring mechanism in Directive 2014/94. Reporting about the National Policy Frameworks is a necessary step but the reports such as the one published in February 2019 (SWD(2019)29 final) deserve more publicity. Besides, identifying gaps and delays should not be the end of the process, but rather the beginning of a structured process to bring back Member States on track.
- ▶ The European Commission could also promote the exchange of best practices between Member States in terms of deployment planning, feasibility studies and stakeholder involvement.