The Green Pages
NEW FUELS GUIDE
PEIMF+
SUMMER 2024 • ISSUE 18

UK vehicle sales

UK car registrations

MAY

	2024	2023	% change	Mkt share -24	Mkt share -23
Diesel	9,220	11,074	-16.7%	6.2%	7.6%
Petrol	81,058	82,800	-2.1%	54.9%	57.0%
BEV	26,031	24,513	6.2%	17.6%	16.9%
PHEV	11,866	9,025	31.5%	8.0%	6.2%
HEV	19,503	17,792	9.6%	13.2%	12.3%
TOTAL	147,678	145,204	1.7%		

YEAR TO DATE

	YTD 2024	YTD 2023	% change	Mkt share -24	Mkt share -23
Diesel	55,524	62,410	-11.0%	6.7%	8.1%
Petrol	462,860	440,712	5.0%	55.9%	57.1%
BEV	133,062	121,268	9.7%	16.1%	15.7%
PHEV	64,918	49,385	31.5%	7.8%	6.4%
HEV	111,136	98,679	12.6%	13.4%	12.8%
TOTAL	827,500	772,454	7.1%		

BEV - Battery Electric Vehicle; **PHEV** - Plug-in Hybrid Electric Vehicle; **HEV** - Hybrid Electric Vehicle. Diesel and Petrol figures include Mild Hybrid Electric Vehicle (**MHEV**)

UK van registrations

MAY

	2024	2023	% change	Mkt share -24	Mkt share -23
BEV	1,077	1,041	3.5%	4.2%	4.1%
Diesel	23,950	23,593	1.5%	92.6%	93.0%
Others	826	725	13.9%	3.2%	2.9%
TOTAL	25,853	23,359	1.9%		

Year to date

	YTD 2024	YTD 2023	% change	Mkt share -24	Mkt share -23
BEV	6,877	7,028	-2.1%	4.8%	5.2%
Diesel	133,798	125,300	6.8%	92.6%	92.6%
Others	3,879	2,968	30.7%	2.7%	2.2%
TOTAL	144,554	135,296	6.8%		

Courtesy of SMMT Datashop – The primary source of UK vehicle data. www.smmt.co.uk

Best selling car brands for May 2024

TOP MODELS

MAY 2024

1	Kia Sportage	4,202
2	Ford Puma	3,812
3	Audi A3	3,017
4	Volkswagen Golf	2,922
5	Vauxhall Corsa	2,671
6	Volkswagen Polo	2,669
7	Nissan Qashqai	2,637
8	MG ZS	2,630
9	Hyundai Tucson	2,613
10	Nissan Juke	2,468

Best selling car brands year to date

YEAR-TO-DATE

1	Ford Puma	23,205
2	Kia Sportage	20,026
3	Nissan Qashqai	19,687
4	Audi A3	16,520
5	Volkswagen Golf	15,573
6	Nissan Juke	15,538
7	BMW 1 Series	14,190
8	MG HS	14,161
9	Volkswagen T-Roc	13,323
10	Vauxhall Corsa	12,925

May new car registrations 2008-2024

Car manufacturers and dealerships shift gear to EV

The UK government is phasing out petrol and diesel new vehicle sales, to accelerate the transition to electric and achieve net zero by 2050. How does this impact the car manufacturers and dealerships?

The rising fear of global warming, and the devastating effect on the environment and the livelihoods of many generations to come are front and centre of the UK's government policy. The strategic focus on environmental issues and zero emissions has prompted a seismic shift in the car industry, forsaking well-loved traditional fossil fuels in favour of electric vehicles (EVs). This radical transformation is escalating at breakneck speed in terms of switching vehicle production lines, remodelling the business roadmap and preparing the franchisees for a new tomorrow.

THE RISE OF ELECTRIC VEHICLES

Electric vehicles gained popularity due to their environmental benefits, reduced operating costs and government incentives. The advancements in battery technology have significantly improved the range and charging capabilities of EVs, making them a viable option for everyday use. As a result, the demand for electric vehicles has surged, and major car manufacturers are investing heavily in their EV offerings.

Consumers are increasingly prioritising sustainability and are attracted to pure electric vehicles due to their negligible carbon emissions. The rising awareness about climate change and the need for eco-friendly transportation has prompted many drivers to switch to EVs.

BALANCING THE MODEL MIX

The electric revolution has been a rollercoaster ride for car manufacturers across the world, trying to keep pace with consumer demand and changing governmental priorities. Undoubtedly, the next ten years will be very challenging, as manufacturers strive to balance the model mix, so they can fulfil the mounting order bank for EVs and satisfy the die-hard fossil fuel drivers.

Many car manufacturers had already committed to the mass production of hybrid and electric-only ranges based on the government's previous 2030 policy, ultimately driving the prices of greener vehicles down. Meanwhile, prices of petrol and diesel models are likely to rise due to their limited availability and extended lead times.

In September 2023, the prime minister delayed the ban of new internal combustion cars until 2035, causing yet more confusion and consternation for the manufacturers and frustration for the dealer networks. Now that the pressure is off motorists to switch to electric, the surge in EV new car sales has understandably eased.

The delay in the ban brings the UK into line with the European Union, which is also prohibiting sales of new petrol and diesel cars by 2035.

THE UK GOVERNMENT IS SUPPORTING THE ROLL-OUT OF EVS

The government's EV roll-out includes backing the expansion of the charging infrastructure to support the rising number of EVs on UK roads. Thus creating robust zero-emission vehicle supply chain networks, providing alternative sustainable transport methods to ensure greenhouse gas (GHG) emissions are reduced, as outlined in the Net Zero strategy.

From 2035 no new conventional petrol or diesel cars will be sold in the UK, meaning that all new cars after that deadline will be zero emission.

In addition to government support, the private sector is actively participating in the expansion of the UK's EV charging infrastructure. Key players in the market are investing in the development of innovative charging solutions such as ultra-fast charging hubs, wireless charging systems and advanced battery technologies.

NEW RESTRICTIONS FOR MANUFACTURERS*

From January 2024, car manufacturers will be forced to meet strict quotas for the sales of electric cars, despite the ban on sales of new petrol and diesel vehicles being deferred. The government's mandate requires car makers to ensure that 22% of new vehicles sold are electric, this will rise year on year and is expected to reach 80% by 2030. Failure to hit the objective will result in substantial fines (£15,000 per car and £18,000 per van) for the shortfall in EVs sold. Manufacturers selling fewer than 2,500 vehicles per year will be exempt.

There is a positive clause to this mandate which allows car makers to purchase credits from other manufacturers that exceed their EV mix.

This 'free trade' allowance will be in place until 2026 and will make the objective far easier to achieve, at least for the next two years.

*Source: Car Dealer Magazine

DEALERSHIP CHALLENGES

The rise of electric vehicles has disrupted the traditional business model of car dealerships. Unlike internal combustion engine models, electric vehicles require less maintenance and have fewer mechanical components. This change poses a sizeable challenge for car dealerships, as they rely heavily on revenue generated from service and repairs.

Car dealerships play a crucial role in the sale and distribution of vehicles. However, with the increasing adoption of electric vehicles, their role is evolving. Dealerships now need to become knowledgeable about electric vehicle technology, charging infrastructure, and government incentives. They must invest in training their sales teams to effectively educate and assist customers in making informed decisions. Furthermore, dealers should establish a seamless customer experience by providing test drives, assisting with charge point installation and offering comprehensive after-sales support.

While the shift to electric vehicles presents challenges, it also offers numerous opportunities for car dealerships. Dealerships can embrace EVs by investing in charging infrastructure on their premises, providing customers with a convenient charging experience. They can also offer specialised services such as EV maintenance, repairs and battery replacements.

TSG LEADING THE CHARGE

The government's policy toward transport decarbonisation is driving public demand for a practicable charge point network, to keep pace with the growing number of EVs. Without a robust infrastructure, the ambitious plan to hit net zero by 2050 will undoubtedly stall.

It is critical for car dealerships and vehicle manufacturing plants wishing to provide charge points on site, to partner with a reputable supplier that can effectively project manage the entire installation.

TSG is leading the way in establishing a charging infrastructure capable of safeguarding the future of EVs across the UK. With over 20 years of experience in the industry, TSG has the expertise to provide a scalable and practical solution for any size of operation, leveraging the characteristics of the site to maximise the opportunity.

TSG is now established as the UK's first-choice engineering, procurement and construction (EPC) contractor and has the expertise to provide a complete end-to-end turnkey EV charge solution, from site survey, design, consultancy and distribution network operator (DNO) connections.

For more information on TSG UK's service and solutions, please visit: www.tsg-solutions.com/uk

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Hydrogen: Why your investment isn't up in the air

Hydrogen remains a central pillar on the road to net zero with the fuel source predicted to make up 22% of final energy demand globally by 2050. However, investing in dedicated hydrogen pumps to help future-proof your forecourt businesses demonstrates a significant financial contribution.

Here, experts at Dover Fueling Solutions explain why investing in hydrogen is a worthwhile decision, which will pay off in the long run.

Given its potential to decarbonise heavy industry, hydrogen is likely to see an abundance of private investment, which should improve infrastructure across the continent. So while the initial financial outlay may be daunting for some station owners, the hydrogen market demonstrates enough growth to merit the investment.

DEDICATED PUMPS

Hydrogen is particularly effective in parts of the economy difficult to decarbonise, such as long-haul transport with its natural abundance and easy nozzle-to-pump filling dispensation.

With the global fuel cell electric vehicle market expected to be worth 428.7 billion by 2032, forecourt owners are wise to invest in dedicated hydrogen pumps to help future-proof their businesses. However, the investment also demonstrates a significant financial commitment, which will pay off in the long run.

HOW IS HYDROGEN DISTRIBUTED AND AT WHAT COST?

The distribution of hydrogen is via three main channels: pipelines, high-pressure tube trailers and liquefied hydrogen tankers.

At present, pipes typically remain the least expensive way to deliver large volumes of hydrogen, with 4,300km of pipeline currently in place across the continent and 23,365km predicted by 2030.

Another option is tube trailers which transport compressed hydrogen gas by truck, rail or sea. This is typically an expensive method and is used for shorter distances of 200 miles or less.

Liquefied hydrogen tankers are another method used to cool hydrogen to temperatures where it becomes a liquid. This is also typically expensive but can be transported more efficiently and over longer distances too.

STORAGE

In addition to these different logistic methods, the dispensing mechanism is more complicated as well, due to the various temperatures hydrogen needs to be stored and dispensed at.

As a gas, hydrogen requires storage in high-pressure tanks of around 350-700 bar or 5000 – 10,000 psi. Liquid storage, meanwhile, requires cryogenic temperatures of -252.8 degrees. Both of these can be costly procedures with an estimated $10 per kWh of stored hydrogen capacity.

SO, IS ALL OF THIS EXPENSE WORTH IT?

Clearly then, championing hydrogen fuel pumps demonstrates a significant investment for forecourts but that isn't to say it doesn't make shrewd business sense, particularly given hydrogen's stratospheric potential.

The International Energy Agency notes that the move towards hydrogen is enjoying "unprecedented momentum" around the world as it finally presents itself as a longstanding clean energy solution.

In Europe, the 'Basque Hydrogen Corridor' has seen 200 million investments alone in various projects, with the market expected to swell to $428 billion globally by 2032.

Of course, to facilitate all of this demand and growth, the sector will need a fully scaled infrastructure, which caters to the needs of drivers, be they commercial or consumer. To accommodate, hydrogen refuelling stations are expected to grow by 17% with North America leading the growth.

FALLING COST

The hope is that as hydrogen becomes more widely adopted, the cost of hydrogen adoption will fall dramatically. This will be in part due to technological improvements across the sector including renewable energy generation and declining costs of hydrogen electrolysis. Forecasters predict that the costs of hydrogen production could decline as much as 70% by 2050.

In fact, stock market analysts Motley Fool believe that hydrogen is one of the best alternative fuel investments to make right now. Given its potential to decarbonise heavy industry, the fuel is likely to see an abundance of private investment which should improve infrastructure across the continent. The website estimates that it could well become a multi-trillion industry of the future.

CONCLUSION

While the initial financial outlay may be daunting for some station owners, the hydrogen market demonstrates enough growth to merit the investment.

www.doverfuelingsolutions.com

Bentley delays first EV
pushing back electrification date

Bentley was apparently intending to introduce its first electric model in 2025, but this is now not happening. It's been delayed by a year because of technical problems caused by software issues, as well as platform-related concerns. The inaugural EV is now expected near the end of 2026, with customer deliveries in 2027.

Apparently, Bentley wants to completely lose petroleum cars by 2033. The three-year delay allows them to invest more in plug-in hybrids to provide a smoother transition to an EV-only lineup. The high-end manufacturer is pouring "hundreds of millions" into a new wave of PHEVs that'll remain on sale early into the next decade, to meet customer demand.

UK MANUFACTURE

The inaugural EV should be manufactured at home in the UK, supported by the Premium Platform Electric co-developed by Porsche and Audi. While all three brands sit below the Volkswagen Group umbrella, Audi has technically owned Bentley (as well as Lamborghini and Ducati) since 2022.

The now-delayed EV won't replace an existing model as it'll be a completely different product. Before the first zero-emission model arrives, Bentley is preparing to launch a high-performance plug-in hybrid, based around a V-8. It'll indirectly replace the W-12.

It's planned for the battery inside Bentley's first EV will run for 350-450 miles on a single charge, taking around 20 minutes to charge the battery from 10 to 80 percent.

State of the art, green hydrogen production
From Wrightbus in Northern Ireland

Buying an electric car

Best practice guide from Zemo Partnership

With used electric vehicle sales reaching a new record in 2023, more and more consumers need clear, unbiased information to inform their purchase decision. Zemo's new Best Practice Guide aims to help those that sell or assist in the selling of EVs consistently communicate key information to prospective buyers of used EVs.

According to the Society of Motor Manufacturers and Traders, sales of used EVs nearly doubled in 2023 to 118,973. That rise followed a sharp increase in 2022. More and more electric vehicles are expected to arrive in the used car market in the coming years.

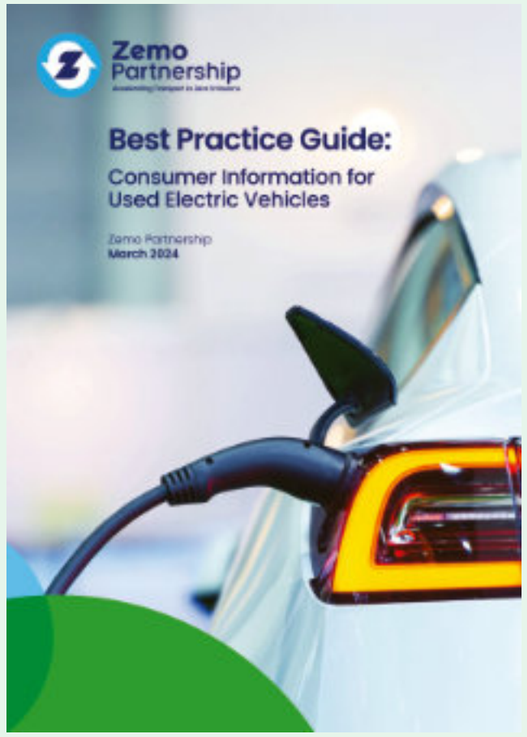
Used car buyers are now faced with a greater range of choices than ever, with a variety of powertrains, tested to different cycles and requirements. Buyers of battery electric vehicles (BEVs), in particular, need to understand new categories of information, different units of measurement and an array of new features and capabilities associated with electric propulsion.

Moreover, there is a lot of confusing information - even some misinformation - that is likely to influence the choice of consumers about their next vehicle.

GUIDE FROM ZEMO PARTNERSHIP

Zemo has published this Best Practice Guide as an acknowledgement of the challenges consumers are facing and to help ensure that core information is communicated to consumers as clearly and consistently as possible.

Even used car dealers may not yet be fully equipped with the necessary understanding of the vehicles, and their charging requirements, to market BEVs effectively and comprehensively.



To address this gap and empower both sellers and buyers, Zemo Partnership has developed a Best Practice Guide specifically tailored for those involved in selling used EVs, whether online or in person. Through the guide, used car dealers are provided with direction on what information should be included in sales materials for electric cars and the reasons for its inclusion. Through this route, Zemo aims to provide consistency and clarity across the consumer's used EV purchase journey.

Zemo has a long history of providing reliable information to consumers about the environmental performance of cars available to purchase. As the Low Carbon Vehicle Partnership, Zemo was the originator of the colour-coded environment label for new cars which appears in car dealerships and alongside online and other sales materials. Zemo extended the new car label to used cars and this has been used as the basis for the 'Environmental Car Label', produced by the Vehicle Certification Agency (VCA), which is now legally mandated to be displayed in new car showrooms.

Report author Zemo's Naomi Brandon-Bravo said:

"Making an informed decision to buy a used electric vehicle requires time and research. I hope that by explaining and clarifying many of the key terms and things to consider when buying a used EV, more consumers will be encouraged to make the leap into an electric motoring future."

www.zemo.org.uk

Adler and Allan accelerates EV push

New acquisition of Utility Line

PEIMF+ member Adler and Allan have acquired Utility Line, a leading Independent Connection Provider (ICP) and grid connection specialist, focused on commercial electric vehicle (EV) infrastructure.

Founded in 2021, Utility Line has established itself as a trusted partner for industry leading clients seeking a full "turnkey" solution for specialised EV charging infrastructure and grid connections. Their team of experts handle everything from design, planning, installation, and maintenance of commercial, industrial and residential schemes, from inception all the way through to energisation and handover.

Nick Ravden, Managing Director, for Utility Line, said:

"We are thrilled to join the Adler and Allan family. Their established position in the utilities and transport & logistics markets, combined with their mission and service offerings, creates the perfect platform to integrate our capabilities and support even more companies, on their renewable energy journey."

This strategic acquisition aligns perfectly with Adler and Allan's commitment to sustainable solutions and positions them as a key player in the rapidly growing EV sector.

"We're excited to welcome Utility Line to the team. This acquisition strengthens our specialist EV and high voltage capabilities and broadens the range of services we offer across all sectors. Together, we become the go-to partner for companies seeking to achieve net-zero carbon goals and fulfil their ESG commitments."

Henrik Pedersen, Chief Executive Officer of Adler and Allan said.

"This marks Adler and Allan's ninth acquisition in the last three years; underscoring their commitment to ambitious growth and leadership in the environmental solutions space.

The combined expertise of both companies strengthens Adler and Allan's position as a comprehensive "turnkey" partner for EV projects; catering to a wide range of needs: from installation of high-end, bespoke charging systems on retail forecourts to residential grid connections to large-scale public transport infrastructure."

ADLER AND ALLAN – IN THEIR OWN WORDS

As the UK's most trusted environmental services partner, our mission is to help organisations reduce risk to the environment and their operation by managing assets compliantly, while achieving commercial, ESG and Net-Zero goals.

We enable utilities, energy, and industrial infrastructure owners to overcome the biggest environmental challenges of the 21st century. We're doing this by innovating and engineering solutions to enable compliant asset installation and maintenance. Plus the transition to new energy infrastructure whilst reducing environmental risk, operational downtime, reputation damage, and regulatory enforcement.

Key facts:

- Over 1,500 specialists across the UK
- Over 35 locations across the whole of the UK
- Completed 32,500 on-site projects for clients over the last 5 years
- 400,000m of drainage surveyed and remediated each year
- Attended over 50,000 emergency pollution callouts over the last five years
- 5bn + environmental data points collected every year
- 600+ ultra rapid EV charging points installed to-date

ABOUT UTILITY LINE

Utility Line is a specialist Independent Connections Provider company, focused on delivering comprehensive "turnkey" solutions for commercial EV charging hubs and grid connections. Their team of experts provide a full end to end service from concept, all the way through to design, build and maintenance, specialising from LV to 33kv electrical infrastructure.

www.adlerandallan.co.uk

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Government rules out VAT cut and more EV grants in response to Lords report

The Government has responded to the House of Lords Environment & Climate Change Committee's EV inquiry saying that it will not change VAT rules for public EV charging or bring back incentives to stimulate sales of electric cars.

The Lords report, published in February, warned that a combination of higher purchase costs, insufficient charging infrastructure and mixed messaging was threatening the continued adoption of electric cars.

While noting agreement with many of the report's findings, the Government said it disagrees with commitments around infrastructure, as well as new incentives to purchase EVs and proposals to equalise the VAT differential between public and domestic charging.

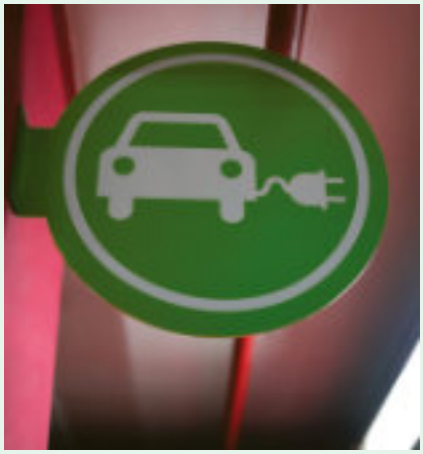
On the issue of public charging costs, the Govenment said: *"VAT is a broad-based tax on consumption and the 20% standard rate applies to most goods and services. Whilst there are exceptions to the standard rate, these have always been limited by both legal and fiscal considerations.*

"Expanding the VAT relief already available would impose additional pressure on the public finances to which VAT makes a significant contribution."

GRANTS

On the reintroduction of incentives, the Government said: "Government grants have been in place for over a decade to help reduce the up-front purchase price of new EVs. All Government grants are kept under review to ensure the best value for money for the taxpayer. The Plug-in Car Grant was closed to new orders on 14 June 2022, having injected £1.5 billion in taxpayer funding to support the growth of the early electric car market.

"In June 2022, the Government published a public evaluation report, which highlighted that the Plug-in Car Grant was vital in building the early market for electric vehicles. It then had less of an effect on demand than other existing price incentives, such as company car tax."



In response to the Government's comments on the Lords' report, chair of the inquiry, Baroness Parminter, said: "Whilst we welcome the Government's acceptance of some of the recommendations in our report, it is particularly disappointing that it is not committing to incentivising the purchase of more EVs, equalising the VAT differential between public and domestic charging, or addressing our concerns about barriers to charging in multi-occupancy buildings.

"If implemented, these recommendations would help people to adopt EVs and ensure a smoother journey towards net zero. Peers will keep urging the Government to do more, as otherwise the EV revolution is a non-starter."