



# European EV Charging

## Capital deployed ahead of utilisation

European EV charging has scaled rapidly, with infrastructure growth outpacing EV adoption. Interpath explores why the focus is shifting from expansion to utilisation and the implications for operators, investors, and lenders.

## The shift

### From rollout to utilisation

European EV charging has scaled rapidly, with c.€35bn–€45bn of capital deployed across c.1.2m chargers. As infrastructure growth continues to outpace EV adoption, the EV-per-charger ratio is declining.

The result? Charging capacity is no longer the constraint - the focus has shifted from how much can be built to how much is utilised.

**The question is no longer how much capacity is built, but how much of it is used.**



Chart 1.a: EV Fleet, charging capacity and utilisation proxy in Europe

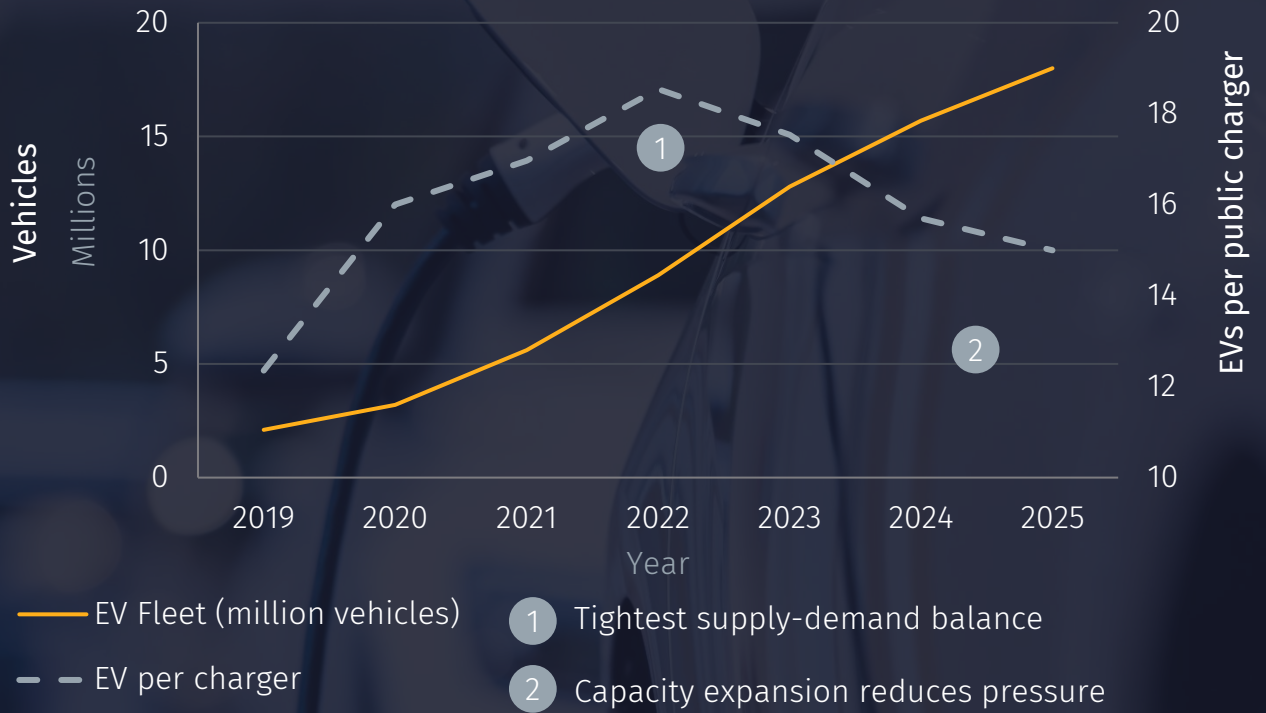
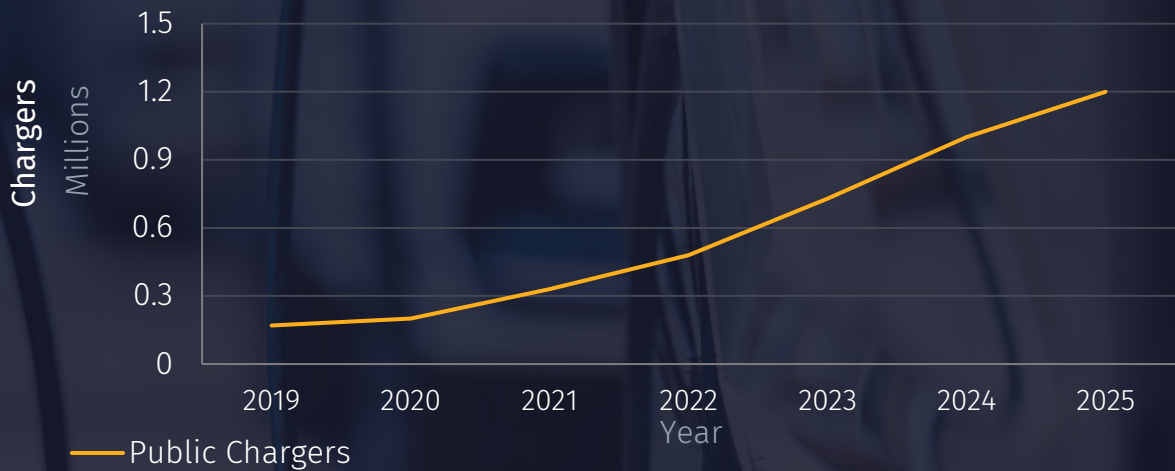


Chart 1.b: Public chargers



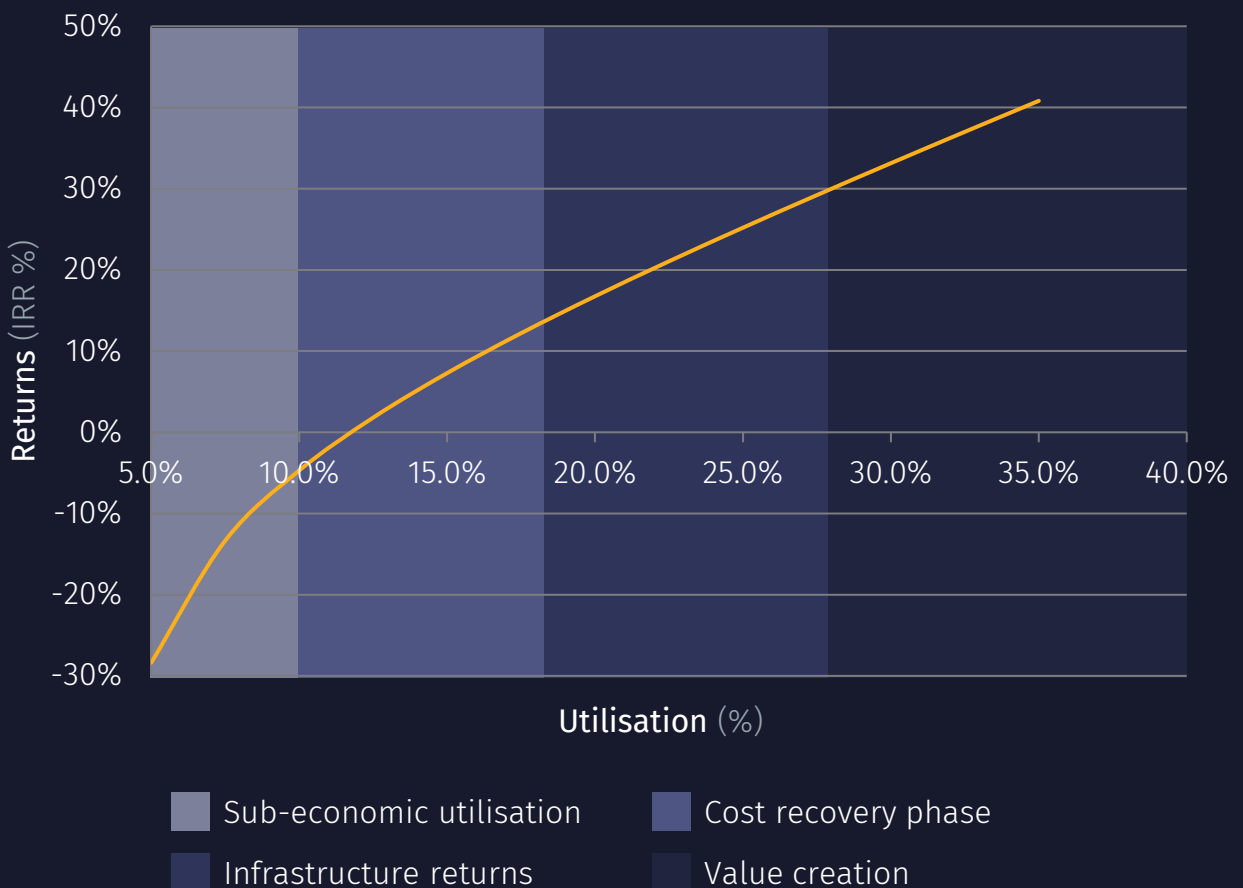
## Where value is created

### Utilisation determines returns

Returns improve meaningfully only once utilisation exceeds the level required to achieve viable project returns. Yet most assets continue to operate at relatively low levels of around 10–20%. As a result, a significant share of installed capacity is not delivering economic returns, although even modest increases in utilisation can drive disproportionately large improvements in financial performance.

**Installed capacity creates availability.  
Only utilisation creates economic value.**

Chart 2: Infrastructure returns (HPC charging) vs. Utilisation<sup>1</sup>



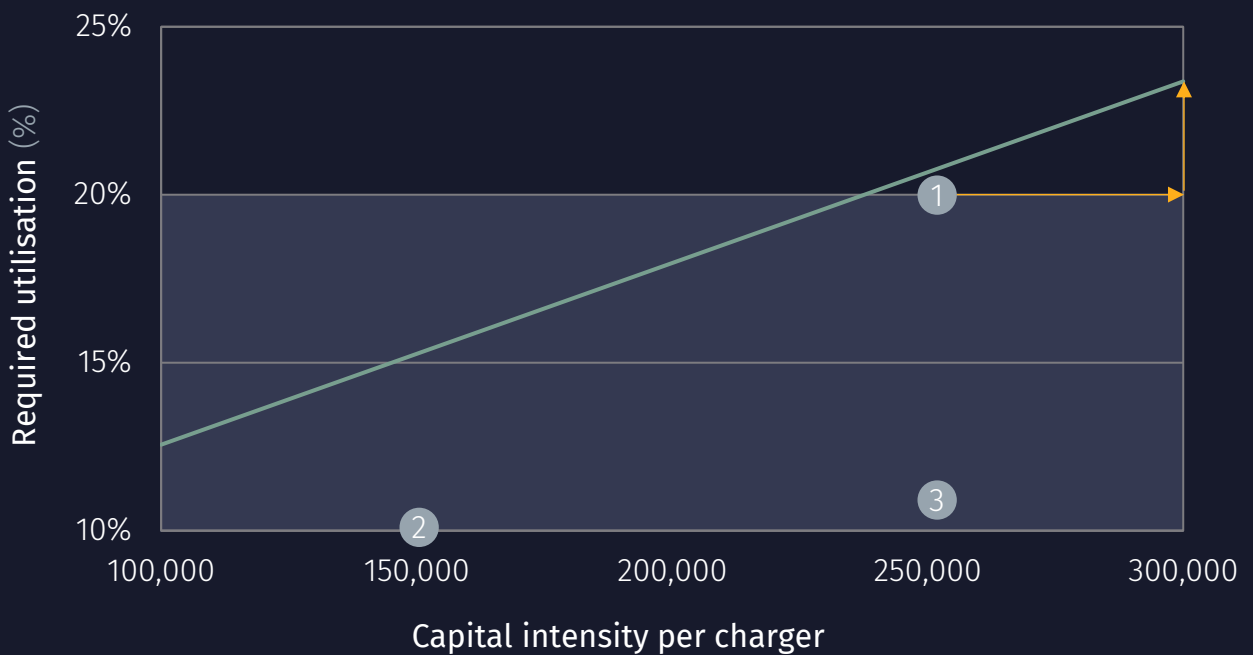
## Capital intensity

### Capital raises the bar

High-power charging infrastructure requires significant upfront investment of €150k–€250k per charger. Higher capex increases the minimum utilisation required to achieve viable returns, narrows the margin for error and makes sustained high utilisation essential for success.

**More capital does not improve returns. It raises the utilisation required to achieve them.**

Chart 3: Capital intensity shifts the utilisation threshold<sup>2</sup>



- Typical utilisation range
- ① Higher capex requires sustained high utilisation
- ② Lower capex site
- ③ High-power corridor site

1. Assumes c. €180,000 capex per charger, c. €0.25/kWh gross margin and c. €18,000–20,000 annual cost base. Effective charging power reflects average delivered power over a session and is materially below nameplate capacity due to charging curves and utilisation patterns.

2. Assumes c. €0.25/kWh gross margin, c. €18–20k annual cost base, 12-year life and 10% target IRR.

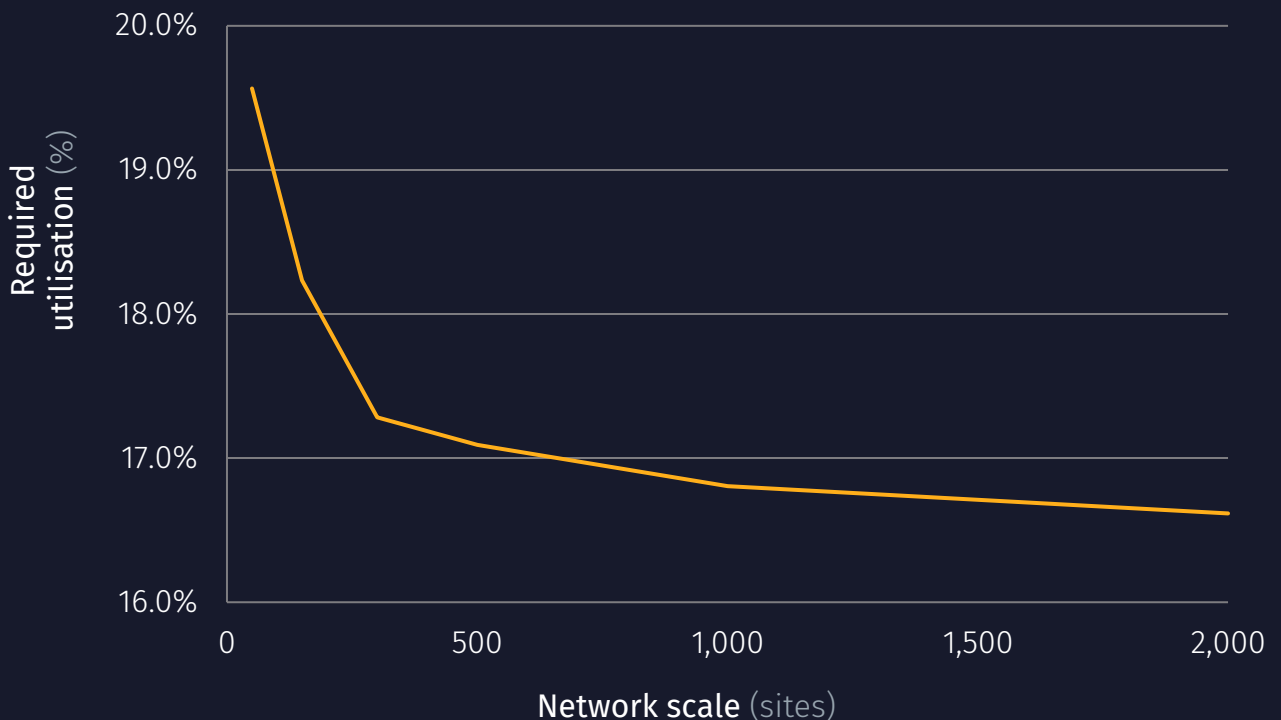
## Scale

### Scale determines viability

Scale is a critical determinant of viability in EV charging, with economics shaped by utilisation and the ability to distribute platform costs across the network. Greater scale reduces the cost per charger while enhancing network visibility and integration. This enables larger, integrated platforms to capture demand more effectively through vehicle ecosystems, routing and customer interfaces. Sub-scale operators face structurally higher utilisation thresholds to achieve breakeven.

**Scale determines who captures demand and who does not.**

Chart 4: Required utilisation declines with scale<sup>3</sup>



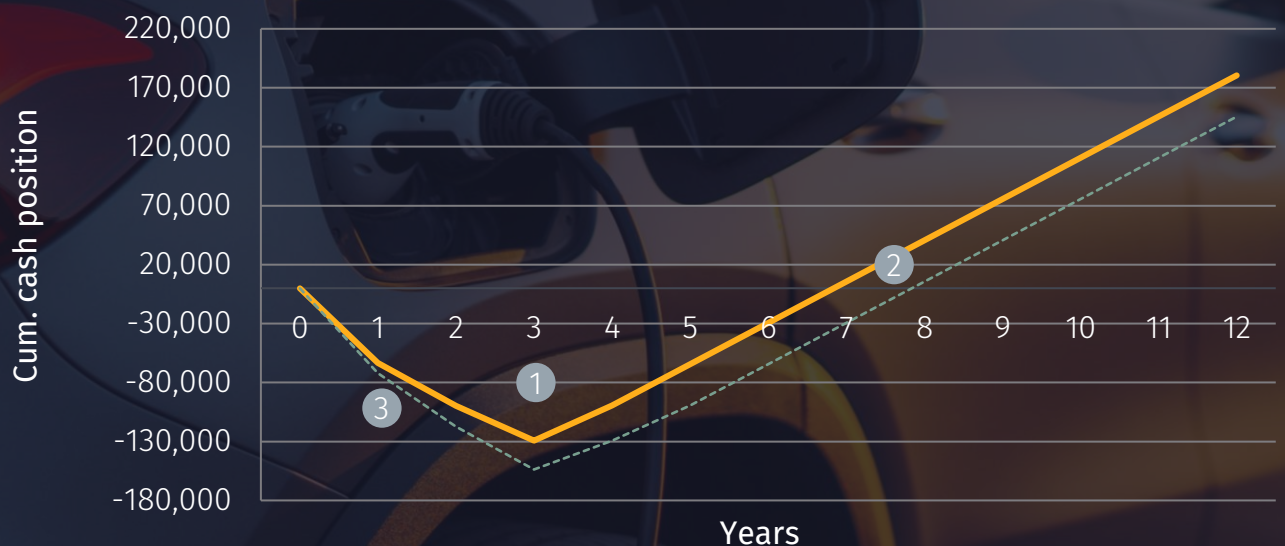
## Capital structure reality

### Capital is deployed ahead of cash generation

EV charging demands significant upfront investment, while utilisation and cash generation build gradually over time, requiring funding to bridge the gap to breakeven. A slower ramp-up in utilisation extends funding needs and delays cash flows, pushing breakeven further into the asset's life and increasing reliance on future performance. As a result, returns become highly sensitive to both the timing and consistency of utilisation.

**If utilisation is delayed, cash flow is delayed.  
If cash flow is delayed, capital structure risk increases.**

Chart 5: Capital deployment precedes cash generation<sup>3</sup>



— Base utilisation (net cum position)      - - - - Slower utilisation (net cum. Position)

- 1 Peak funding requirement
- 2 Slower utilisation delays capital recovery
- 3 Capital deployed ahead of cash generation

## The sector's next phase

### From growth to capital discipline

The sector is shifting from rollout-led expansion to utilisation-driven economics, with outcomes diverging across platforms based on utilisation, scale and cost structure.

Capital is being directed towards scaled, integrated platforms with proven utilisation and strong access to demand, while sub-scale operators face growing pressure to demonstrate standalone viability as funding conditions tighten. This means that strategic outcomes are becoming increasingly shaped by economics, including consolidation, partnerships, and capital restructuring.

**Where utilisation and scale do not support viable returns, consolidation becomes unavoidable.**



## Interpath perspective

We advise operators, investors and lenders on situations where utilisation, scale, and capital structure determine outcomes, often leading to consolidation and related strategic alternatives.

Our work focuses on capital structure optimisation, M&A, and the evaluation and execution of strategic alternatives. Our approach links operational performance directly to capital structure outcomes. We advise on and deliver hands-on optimisation of cost and commercial terms through our procurement and supply chain centre of excellence.

**Turning utilisation, scale, and capital structure into actionable outcomes.**



**interpath**

# Want to know more?



A more detailed analysis of these dynamics developing across European markets and platforms is available. To request this, please fill in the following [form](#).



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