

5 May 2025

Lynda Voltz, MP
Chair, Committee on Transport and Infrastructure
NSW Legislative Assembly
Submitted electronically

Dear Ms. Voltz,

Justice and Equity Centre submission to the Inquiry into infrastructure for electric and alternative energy source vehicles in NSW

The Justice and Equity Centre (JEC) welcomes the NSW Legislative Committee on Transport and Infrastructure's Inquiry into infrastructure for electric and alternative energy source vehicles in NSW.

Expanding public electric vehicle (EV) charging infrastructure and ensuring equity of access to EV charging throughout NSW is essential to accelerating transport electrification and achieving both state and federal emissions reduction targets. If designed and integrated effectively, this infrastructure can support increased EV uptake across NSW, improve electricity network utilisation, and place downward pressure on energy bills for all consumers. Poorly implemented, it risks distorting competition in the emerging kerbside charging market, entrenching costly inefficiencies and exposing NSW energy consumers to unreasonable cross subsidy of energy network costs.

The regulatory and market arrangements governing the installation, ownership, maintenance, and operation of public EV charging infrastructure will be critical in determining whether potential benefits are fully realised. It is therefore vital that the Committee ensures these arrangements promote equity and deliver value to all energy consumers and the NSW community more broadly — not just EV users. In line with the 'causer/beneficiary pays' principle, costs related to EV charging infrastructure and use should be borne by those who directly benefit from the infrastructure. That is, those charging electric vehicles. It is reasonable to consider the role of Government support for the rollout of EV charging infrastructure, but it is not appropriate, or in the interests of NSW energy consumers, for that support to be provided through energy bills.

We understand the NSW Department of Climate Change, Environment, Energy and Water (DCCEEW) is currently consulting with stakeholders — including private charge point operators and Distribution Network Service Providers (DNSPs) — to determine appropriate roles and responsibilities for the rollout of public EV charging infrastructure. We have provided input on these matters through our submission to DCCEEW and in our role as a stakeholder

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on the NSW DNSPs' peak customer councils¹. We encourage the Committee to consider our observations, and the enduring principles which underpin them, as relevant to this inquiry.

Wherever possible, existing electricity infrastructure and resources should be leveraged to support the efficient deployment of charging equipment. DNSPs will play an important role in this process and we recommend that they develop baseline data on connection processes, as well as tools or systems to help proponents assess available network capacity at prospective sites. Further recommendations are outlined in our submission to the Commonwealth DCCEEW on streamlining the connection of EV supply equipment and consumer energy resources (CER)². We encourage the Committee to consider these recommendations as part of this inquiry.

DNSPs wishing to supply public EV charging services must currently comply with ring-fencing obligations. These obligations exist to prevent cross-subsidisation through regulated revenues and preserve effective competition in the delivery of contestable electricity services. The Australian Energy Regulator (AER) may waive these obligations where the cost of compliance outweighs consumer benefit. We note that a consortium of Victorian DNSPs has applied for such a waiver to install and maintain kerbside chargers within their networks³.

We recommend the Committee engage with the AER on this process to inform its own findings and ensure that ring-fencing arrangements remain appropriate and consider where potential derogations may be beneficial. Rather than endorsing a single delivery model at this stage, we recommend the Committee define a clear set of policy outcomes and guiding principles for kerbside EV charging, and assess a range of delivery options capable of achieving them. This should include the appropriate role of Government support for planning and equitable rollout, and how DNSPs can best enable this without impacting equity in NSW households' energy costs.

The JEC would welcome the opportunity to discuss these matters further with the Committee and other stakeholders. If you have any queries about this submission please contact Jan Kucic-Riker, Policy Officer, Energy and Water at ikucicriker@jec.org.au.

Yours sincerely

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See <u>JEC submission to NSW DCCEEW DNSP-led kerbside EV charging proposal.</u>

See <u>JEC</u> submission to Commonwealth <u>DCCEEW</u> Streamlining the connection of EVSE and <u>large CER</u> options paper.

See <u>CitiPower</u>, <u>Powercor</u>, and <u>United Energy - Ring-fencing waiver - Electric vehicle charging infrastructure</u>.