ENERGY CONSUMERS AUSTRALIA

Submission on CPU's ring-fencing waiver application for providing kerbside EV charging infrastructure

Submission to the Australian Energy Regulator

DATE: 12/06/2025

Summary

Energy Consumers Australia (ECA) welcomes the opportunity to provide feedback on CitiPower, Powercor, and United Energy's (CPU) ring-fencing waiver application for providing kerbside EV charging infrastructure. Public electric vehicle charging infrastructure (EVCI) is essential for the widespread uptake of electric vehicles (EVs) across Australia, with direct implications for consumers—particularly in terms of costs, accessibility, and equity.[1, 2] In this regard, certain demographic segments, notably those from low-income backgrounds or living in regional and rural areas, may find themselves excluded from the EV transition as they may not be a profitable market segment for an EVCI provider to own and/or operate a charger. Under these circumstances, ECA would support trial waivers for DNSPs to test EVCI ownership models in principle, provided that they can demonstrate that their trials are reasonably likely to provide net benefits to consumers. We appreciate CPU's desire to play a greater role in the EV space through public EVCI ownership and to explore that through a trial waiver. We recommend the Australian Energy Regulator (AER) approve this waiver, subject to CPU submitting more information. ECA has the following key recommendations for the AER, summarised from our submission.

Recommendations	Page details
The AER should request additional information, and a more detailed monitoring, evaluation plan before granting a trial waiver to CPU. Trial waivers are an opportunity for DNSPs to innovate beyond their usual scope, with the potential to gather valuable insights. The AER should require a thorough evaluation and monitoring process to identify effective approaches and inform potential regulatory development that will serve the long-term interests of consumers.	4
It may be appropriate to alleviate ring-fencing provisions through trial waivers in some circumstances to test their impact and foster innovation. ECA supports DNSPs using trial waivers and regulatory sandboxes to test whether easing the ring-fencing restriction of DNSPs owning EV infrastructure forms part of the appropriate mix of a public EV charging rollout.	6
CPU's proposal falls short of demonstrating how EVCI ownership by DNSPs can play an important role in an equitable EV transition. Many Australian households lack off-street parking or don't have access to electricity where they park. Thus, public EV charging is essential for these cohorts of consumers, and this factor must be thoroughly considered when planning EV charging infrastructure.	7
Although not essential, additional information from CPU would have been beneficial to support the merits of its proposal. While not necessary for the AER to approve a waiver, more transparent pricing and a defined timeframe would have been helpful. CPU's proposal lacks clarity in these areas, and we would like to see this information included in future trial waiver applications.	8

[1] Energy Consumers Australia, 2025 – Inquiry into infrastructure for electric and alternative energy source vehicles in NSW
[2] CPU, 2024 – Application for a ringfencing waiver p. 3

Introduction

ECA thanks the AER for the opportunity to provide comment on an application from CPU for a waiver of ring-fencing requirements. The application,[3] dated 17 December 2024, seeks to grant CPU a waiver from ring-fencing rules to enable them to rollout kerbside EV charging infrastructure across CPU's distribution areas, limited to the ownership, installation and maintenance of pole-mounted, low-capacity EV chargers, intended to address infrastructure gaps in high-demand locations.[4] A supplementary submission,[5] dated 16 May 2025 was received, outlining additional information provided by CPU during three AER-held workshops.

As the national voice for residential and small business energy users, ECA advocates for a future Australian energy system that works for, and benefits, the households and small businesses that rely on it.

As highlighted in our submission to the 2025 Inquiry into infrastructure for electric and alternative energy source vehicles in NSW,[6] EVs offer perhaps the greatest opportunity for consumers in the energy transition by significantly reducing their energy costs. Our Stepping Up Report shows that by 2030, households who own an EV will save $1,440 per year, and non-EV owning consumers will receive $330 in savings from lower electricity prices resulting from increased network utilisation.[7] This is well-evidenced in California,[8] where additional EVs have increased demand for electricity without significantly increasing the need for additional local grid infrastructure, which reduces the unit cost of the network.

Additionally, it should be noted that the 2024 Integrated System Plan (ISP) Step Change scenario assumes that in 2030 there will be 18 times more electric vehicles on the road than today, and that 97% of all vehicles will be battery EVs by 2050.[9] The Draft 2025 IASR draws similar conclusions, forecasting that the total number of electric vehicles could range from 15 to 26 million by 2050.[10]

For EV adoption to grow, consumers expect to be able to conveniently charge their vehicles. Achieving this equitably requires a public EV charging network that prevents certain community segments and demographics from being excluded. We are convinced that the development of a robust EVCI network in Australia hinges on the collaboration of all relevant stakeholders,

[3] CPU, 2024 – Application for a ringfencing waiver
[4] CPU, 2024 – Application for a ringfencing waiver p. 12
[5] CPU, 2025 – Supplementary submission
[6] Energy Consumers Australia, 2025 – Inquiry into infrastructure for electric and alternative energy source vehicles in NSW
[7] Energy Consumers Australia, 2023 – Stepping Up Report p. 12
[8] NRDC, 2022 – Electric Vehicles Are Driving Electric Rates Down
[9] AEMO, 2024 – Integrated System Plan p. 50
[10] AEMO, 2025 – Draft 2025 Inputs, Assumptions and Scenarios Report p. 88

including but not limited to government agencies, and industry players.[11] Thus, we agree with CPU that:

> "A prominent obstacle to widespread adoption remains the limited availability of affordable, reliable, and pervasive public EVCI. This scarcity of charging options has a significant and direct influence on customers' decisions to purchase EVs, as concerns about access to charging facilities continue to impede their willingness to transition to electric mobility".[12]

Recommendations

1. **The AER should request additional information, and a more detailed monitoring, evaluation plan before granting a trial waiver to CPU.**

CPU's application seeks a waiver from clauses 3.1(b) and 4.2 of the Ring-fencing guideline (electricity distribution)[13] to allow them to install and maintain kerbside EV chargers in their distribution areas. We request further detail and greater clarity on the monitoring and evaluation processes CPU intends to implement and consider this information a prerequisite for granting a trial waiver.

We believe that CPU's proposal lacks essential information. First, we note that CPU places a strong emphasis on its ability to deliver EVCI in a highly-cost efficient manner, yet the supporting evidence for this claim remains limited. ECA would like the DNSPs to substantiate this claim, beyond the assertion that CPU "can install [EVCI] aside from FAA [Facilities Access Agreement] rates for a much lower cost today".[14] The comparison provided during the AER workshop on 5 May 2025, stating that a "third-party [received] $1.3 million to install 100 chargers [which] equates to […] $13,000 a charger for a single port charger",[15] while CPU is "looking at somewhere around $6,000-6,500 to install [a] single port charger"[16] remains anecdotal. As the speaker acknowledged, "if those numbers hold true […], I think we can do it much cheaper and much faster".[17] While this may well indicate CPU's cost-effectiveness, which we assume hinges on utilising existing assets,[18] we demand that CPU provide verifiable and detailed evidence to the AER in order to support these claims. Specifically, we request that CPU clearly explain how their proposed model achieves a 50% reduction in installation costs compared to third-party operators. Should the waiver be granted, this information should be incorporated into the trial evaluation

[11] CPU, 2024 – Application for a ringfencing waiver p. 3
[12] CPU, 2024 – Application for a ringfencing waiver p. 3
[13] AER, 2024 – Ring-fencing guideline (electricity distribution, version 4)
[14] AER, 2025 – Transcript for the AER workshop on the CitiPower, Powercor, UnitedEnergy ring-fencing waiver for EV charging Infrastructure – governments, consumers and consumer interest groups p. 2
[15] AER, 2025 – Transcript for the AER workshop on the CitiPower, Powercor, UnitedEnergy ring-fencing waiver for EV charging Infrastructure – DNSPs and its related entities p. 8
[16] *Ibid.*
[17] *Ibid.*
[18] CPU, 2024 – Application for a ringfencing waiver p. 9

process to assess whether expectations were met, and to identify factors that either enabled or hindered success.

Second, we also note that CPU considers that "there is no potential for cross-subsidisation or discrimination if the waiver is granted" as costs will be split through the existing AER Cost Allocation Mechanism (CAM) and that timesheets will capture maintenance activities directly attributable to the EVCI service.[19, 20] However, we request that CPU provide concrete and detailed information regarding the prevention of discriminatory pole access to the AER. We believe that this claim should be evidenced, beyond the assertion that CPU has "discounted the access fees down to $750, which is way below what telco's pay for access" and is "heavily discounted"—especially as this is a fee CPU will not incur.[21, 22] This calls for an independent evaluation to gather data that can support this claim—or at least assess the costs associated with the rollout of EVCI by these DNSPs—and potentially inform the development of a "practical model that prioritises consumer benefits, supports broader EV uptake, and avoids […] over-investment in infrastructure deployment".[23]

Finally, we welcome the DNSPs' intention to "share insights, data, and learnings from the deployment of these chargers with all industry participants" to encourage best practices and inform infrastructure planning,[24] but we would like to see a clear commitment to knowledge sharing, with specific details on how insights, learnings, data, and the methodologies used by CPU will be disseminated, including the basis on which this will occur. We firmly believe that there is value in sharing comprehensive and user-friendly hosting capacity maps to support third-party EVCI owners and installers in identifying optimal locations for charger deployment through a formal process. This approach reduces information asymmetry between distribution network businesses and other market participants, and as mentioned by the AER, this presents an opportunity to better understand network processes when selecting sites and rolling out public EVCI with regard to grid constraints.[25]

In summary, we recommend that the AER require CPU to provide additional background information and establish a comprehensive monitoring, evaluation and knowledge sharing framework that will deliver transparent data on costs and network constraints, along with actionable lessons that will ultimately support future trials and inform potential regulatory updates that encourage greater EV uptake.

[19] CPU, 2024 – Application for a ringfencing waiver p. 12
[20] AER, 2025 – Consultation paper p. 12
[21] AER, 2025 – Transcript for the AER workshop on the CitiPower, Powercor, UnitedEnergy ring-fencing waiver for EV charging Infrastructure – DNSPs and its related entities p. 5
[22] AER, 2025 – Transcript for the AER workshop on the CitiPower, Powercor, UnitedEnergy ring-fencing waiver for EV charging Infrastructure – governments, consumers and consumer interest groups p. 2
[23] CPU, 2025 – Supplementary submission p. 4
[24] CPU, 2024 – Application for a ringfencing waiver p. 13
[25] AER, 2025 – Consultation paper p. 15

2. **In some circumstances, it may be appropriate to alleviate ring-fencing provisions through trial waivers to test their impact and foster innovation.**

ECA advocates for all consumers to be able to conveniently use, charge and pay for their electric vehicle. To achieve this, we support DNSPs using trial waivers and regulatory sandboxes to assess whether alleviating the ring-fencing arrangements around DNSPs owning EV infrastructure forms part of the appropriate mix of a public EV charging rollout—that is, alongside other EVCI providers—to achieve net consumer outcomes.

We believe that this could be a particularly relevant option is some specific situations, such as in the case of EV chargers in regional and rural areas where it is not profitable for a third-party provider to own and/or operate a charger, but where we would still want to encourage and enable EV uptake. Under these circumstances, it may be appropriate for DNSPs to be allowed to put a limited number of EVCI in their regulatory asset base (RAB) on a trial basis. This would of course require the appropriate regulatory oversight from AER and consumer protection to ensure that public EVCI is still rolled out in an appropriate and right-sized way. For example, ensuring that DNSPs may only build EVCI where it is needed so as to not unnecessarily increase the RAB. It would also need to be balanced against the cross-subsidy of network tariffs being increased for non-EV drivers due to the increased RAB. This in turn may be mitigated by the savings to all consumers from the increased network utilisation of increased EV uptake. Regardless, it is crucial to investigate the full range of potential solutions and ensure that consumer outcomes are the measure of success.

To this effect, ECA has been undertaking a stakeholder process to outline the roles and responsibilities for public EV charging in the best way for the Australian consumer. While this work is still ongoing, we appreciate the opportunity to discuss these matters with a range of stakeholders including but not limited to regulators, governments, DNSPs, EVCI providers, EV companies, CPOs and other consumer advocates. We thank the AER for their participation and look forward to sharing the results of this work upon completion.

Additionally, we note that CPU identifies the “application of new technologies of the networks”[26] as one of the network planning benefits provided by the trial. We welcome CPU’s desire to test new approaches to EVCI that could improve network efficiency, notably through their interest in directing excess solar energy to charge EVs during peak solar production times to improve grid stability and reduce network constraints.[27] As Australia has one of the greatest rooftop PV uptake in the world and that more households electrify their vehicles, this will enable consumers to shift a portion of their energy demand and improve network utilisation by charging their electric vehicle.[28]

[26] CPU, 2025 – Supplementary submission p. 4
[27] CPU, 2024 -- Application for a ringfencing waiver p. 10
[28] UNSW, 2023 – Australia faces solar waste crisis

ECA believes that EV charging should be encouraged to take place during periods of low demand and abundant solar generation,[29] however, we note that this concept is not novel—some projects are already implementing or trialling the integration of solar energy into EVCI. At the residential level, EVSE enables smart EV chargers to be integrated with home solar systems, utilising energy through a solar PV system.[30] On the public charging side, the ARENA-funded ChargeKonnect Kerbside EV Charging Project led by EVX aims to incorporate real-time pricing signals, including lower charging costs during periods of high renewable energy generation.[31] Moreover, the implementation of such feature by CPU is not guaranteed. As noted in the application, "kerbside EVCIs will not initially implement active demand response […], [and CPU's] pricing team will be considering a variety of potential new tariffs that can better manage more broadly constraints on low voltage network across our networks".[32]

ECA submits that solar soaking capabilities are already present in the market and that the trial could be used not only to provide more cost-effective EVCI, but also to test actual innovation, rather than replicating features that are already being implemented and trialled by third-party providers.

3. **CPU's proposal falls short of demonstrating how EVCI ownership by DNSPs can play an important role in an equitable EV transition.**

Electric vehicle uptake and the availability of public chargers is an ongoing dilemma within the EV ecosystem—more public chargers are needed to foster electric vehicle adoption, which is precisely what encourages investment in public EVCI.

As highlighted in our submission to the 2025 Inquiry into infrastructure for electric and alternative energy source vehicles in NSW,[33] 31% of renters in the private market and 21% renters in public or community housing reported access to charging infrastructure as an obstacle to purchasing an EV—a figure that drops to 4.5% for people who owned their residence or were paying off their mortgage.[34] Further, a 2022 study shows regional and rural Australians are concerned about the lack of charging infrastructure near their home (regional 37%, rural 39%).[35]

Therefore, greater emphasis should be placed on these cohorts of consumers—renters, apartment dwellers, and those in regional and rural areas. These demographic segments are likely to be more reliant on public chargers, and this factor should be thoroughly considered if we want to achieve an equitable EV transition. We believe that networks are uniquely positioned

[29] ECA, 2025 – Submission to the NSW Emergency Backstop Mechanism p. 5
[30] EVSE – SMART EV Chargers
[31] ARENA, 2025 – EVX - ChargeKonnect Kerbside EV Charging Project
[32] CPU, 2024 – Application for a ringfencing waiver
[33] Energy Consumers Australia, 2025 – Inquiry into infrastructure for electric and alternative energy source vehicles in NSW
[34] EVSE – Navigating Electric Vehicle Ownership in Australian Apartments
[35] Consumer Policy Research Centre, 2022 -- The barriers and potential enablers of electric vehicle uptake in Australia p. 6

to address this issue and contribute to an equitable EV transition. However, CPU's supplementary submission emphasises that the three DNSPs have no intention of being a "provider of last resort",[36] arguing that this would be a "social service [that] would require for privately owned entities, a subsidy from government"—which this trial is not receiving.[37] Another justification provided is the need for the trial to run an expression of interest to find CPOs willing to operate the EVCI, based on the assumption that CPOs will only participate if they can expect a return on investment.[38]

Although the proposal includes some regional and suburban areas described as having "coverage gaps",[39] this appears to reflect a lack of existing providers in areas where EV registrations are already relatively high for the trial to be "self-sustaining".[40] This is highly disappointing as CPU's proposal to install and maintain pole-mounted, low-capacity EV chargers only thus focuses on addressing infrastructure gaps in already high-demand locations, with the intent to "complement and accelerate market growth",[41] ultimately leaving underserved areas without viable charging options.

CPU's proposal fails to address an opportunity to deliver public EV charging infrastructure that prevents certain community segments and demographics from being excluded. As CPU is only targeting sites that are already commercially viable, it is unclear why standard EVCI providers could not deliver the same outcome without requiring DNSP involvement and a ring-fencing waiver. We demand that greater attention be given to this issue, and that future trial waiver applications better address equity challenges.

4. **Although not essential, additional information from CPU would have been beneficial to support the merits of its proposal.**

We note that the application expected a potential grant of the waiver in 2024 and understand that CPU is now requesting a waiver for a period of six years spanning the current regulatory period through to the end of the next period in mid-2031.[42, 43] While ECA acknowledges that recent amendments to the Ring-fencing guideline (electricity distribution) removed the maximum waiver length,[44] and that CPU aims to align with the milestones set out in the Victoria Zero Emission Vehicles (ZEV) Roadmap—which estimates that half of new light vehicles sales will be

[36] CPU, 2025 – Supplementary submission p. 3
[37] *Ibid.*
[38] CPU, 2025 – Supplementary submission p. 4
[39] CPU, 2025 – Supplementary submission p. 4
[40] *Ibid.*
[41] CPU, 2024 – Application for a ringfencing waiver p. 12
[42] CPU, 2024 – Application for a ringfencing waiver p. 9
[43] *Ibid.*
[44] AER, 2025 – Ring-fencing guideline (electricity distribution) 2025

ZEVs by 2030—[45] we consider CPU's proposal to pursue the trial through to 30 June 2031 to be overly long.[46]

In comparison, EVX launched its ARENA-funded ChargeKonnect Kerbside EV Charging Project on 1 February 2025, which aims to manufacture and install 250 public dual-port Battery Electric Vehicle (BEV) charging units on kerbside poles within just three years.[47] If EVX can propose delivering this within a shorter timeframe, it begs the question of why a DNSP like CPU—with all the advantages and resources it cites as key justifications in its application—[48] needs such an extended timeframe. In the absence of information regarding the following stages of this trial, it is difficult to assess the justification for such a timeline.

Additionally, we note that under CPU's proposed business and operating model, the EVCI will be installed and maintained by the networks, which will not operate the infrastructure. Instead, the DNSPs will "provide an unregulated third-party with access to the EVCI, with the third-party acquiring retail services from a licensed retailer for this purpose" and CPU "will pass through these retail rates to the EMSPs who […] will be responsible for setting of customer charging rates".[49, 50] ECA understands that CPU will tender the retailer,[51] however, we are concerned that this could give CPU an advantage in influencing retail pricing—particularly given that network charges can significantly impact retail prices.

We believe that this could potentially guarantee CPU's revenue regardless of the trial's outcome and would welcome further information on how this arrangement fits within CPU's proposed 'user pays' model and commitment to "transparent pricing at a competitive rate".[52]

[45] Department of Environment, Land, Water and Planning, 2021 – Victoria's Zero Emissions Vehicle Roadmap p. 45
[46] CPU, 2024 – Application for a ringfencing waiver p. 9
[47] ARENA, 2025 – EVX - ChargeKonnect Kerbside EV Charging Project
[48] CPU, 2024 – Application for a ringfencing waiver pp. 10-11
[49] CPU, 2024 – Application for a ringfencing waiver p. 2
[50] CPU, 2025 – Supplementary submission p. 4
[51] AER, 2025 – Transcript for the AER workshop on the CitiPower, Powercor, UnitedEnergy ring-fencing waiver for EV charging Infrastructure – governments, consumers and consumer interest groups p. 7
[52] CPU, 2024 – Application for a ringfencing waiver p. 12

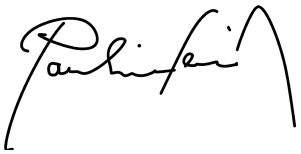
Conclusion

ECA thanks the AER for the opportunity to provide feedback on CPU's trial waiver application. We strongly encourage the AER to require CPU to submit more information prior to granting a waiver. We firmly believe that:

1. The AER should request additional information, and a more detailed monitoring, evaluation plan before granting a trial waiver to CPU.
2. It may be appropriate to alleviate ring-fencing provisions through trial waivers in some circumstances to test their impact and foster innovation.
3. CPU's proposal falls short of demonstrating how EVCI ownership by DNSPs can play an important role in an equitable EV transition.
4. Although not essential, additional information from CPU would have been beneficial to support the merits of its proposal.

For any questions or comments about our submission, please contact Pauline Ferraz at Pauline.ferraz@energyconsumersaustralia.com.au.

Yours sincerely,



Pauline Ferraz
Consumer Advocacy, Manager

The national voice for residential and small business energy consumers

PO Box A989,
Sydney South NSW 1235
T 02 9220 5500

energyconsumersaustralia.com.au