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Jenny Gannon Manager Generation and Customer Standards Energy Queensland

Submitted by email: standardsfeedback@energyq.com.au

RE: Queensland Electricity Connection Manual Consultation

Dear Jenny

We appreciate the opportunity to provide feedback on the proposed amendments to the Queensland Electricity Connection Manual (QECM).

Energy Consumers Australia is the national voice for residential and small business energy consumers. We advocate for a modern, flexible, and resilient energy system that meets consumer values, expectations, and needs. With this in mind, we welcome the general intent of the revised QECM, to reflect changing customer needs, particularly within the context of the increasing prominence of consumer energy resources¹ in the lives of Queenslanders and the future energy system.

This submission focuses on the electric vehicle (EV) charging consumer experience within Section 8 of the Manual. The consumer charging experience is important, particularly as widespread uptake of EVs will provide flow-on benefits to both individual EV owners and energy consumers more widely. EVs, and the way they are charged, provide flexibility in the way energy is used, as well as positively contributing to Queensland's net zero and energy transition goals.

We are therefore concerned that the proposed changes to the manual may negatively impact Queenslanders' charging experience at their homes, as well as uptake of EVs more broadly. Whilst we understand that increased uptake of EVs will have impacts for the energy system, we urge that changes prioritise incentivising the opportunities for consumers that will come from increased uptake.

Our submission consequently makes three key points:

- EV users should be able to use their EV chargers when they want to;
- Clear communications and advice are needed to support EV users' charger and charging decisions; and
- Regulations should be nationally consistent where possible.

We also note that despite the intent of improving accessibility of the manual, it was quite difficult to navigate through the complexity. We recommend that for future consultations of a similar technical nature, Energy Queensland consider including a fact or information sheet to enable consumer advocates to meaningfully engage on these important consumer issues.

¹ https://energyconsumersaustralia.com.au/news/death-to-der-why-we-need-to-change-the-language-we-use-for-the-energy-transition

Response to the draft Queensland Electricity Connection Manual:

1. EV users should be able to use their EV chargers when they want to.

Section 8 of the draft QECM requires that EV charging equipment may be limited or switched off by the Distributed Network Service Provider (DNSP) to reduce load if they are single phase and above 20 amps (A). Globally standard domestic single-phase EV charging equipment is sized at 32A, and at this level can support fully recharging a typical EV overnight.²

If consumers cannot use their EV chargers when they want to, or feel they do not have control over their own equipment, this erodes consumer trust that the energy system is working for them and will lead to suboptimal outcomes for both the consumer and DNSP.

Our 2023 Energy Consumer Sentiment Survey finds that only 35% of households are confident that the energy industry and regulators are working in their long-term interests now.³ If consumers have poor experiences due to their charger being controlled, they may be less receptive to future initiatives by the DNSP to use consumer assets to ensure a more resilient and flexible energy system.

Our 2022 Energy Consumer Behaviour Survey found that in Queensland, only 7% of households are happy for their smart appliances to be fully automated; with 54% wanting the ability to override the automation if they need to; and 39% wanting to set the timings themselves, to have complete control.⁴ If this is how consumers feel about smart appliances automation and external controls more broadly, system design that puts into question consumers' ability to freely use or install an EV charger that suits their needs is unlikely to be well received.

Further, such measures are unlikely to be completely effective for consumers or the system, as consumers may look to workarounds that circumvent giving DNSPs control. For example, through disincentivising the use of EV chargers, consumers may just use regular power points. This impedes a consumers' ability to use their energy more flexibly, as it diminishes their options for scheduling their charging off-peak and prevents them from taking part in orchestration programs.

There are alternative solutions to manage the potential grid impacts of EVs, which allow consumers to retain control over their chargers.

While we appreciate that revisions to the QECM are intended to anticipate the needs of Queensland's future energy system and ensure system security and reliability, requiring DNSP control over EV charging equipment is unnecessarily prohibitive.

As we discuss in our response to the <u>National Energy Performance Strategy</u> Consultation, incorporating demand side flexibility into our future energy system should mean it only requires some people, some of the time, to shift their consumption.⁵ Increasing flexibility in demand will help reduce the need for additional infrastructure to be built to cater for peak demand. This will in turn lower consumers' bills and reduce the strain on the system during peak times, as well as reducing the risk of outages.

² https://www.solarquotes.com.au/electric-vehicles/compare-ev-chargers/

³ https://ecss.energyconsumersaustralia.com.au/sentiment-survey-june-2023/confidence-household-sentiment-june-2023/

⁴ https://ecss.energyconsumersaustralia.com.au/behaviour-survey-oct-2022/how-people-use-energy-2022/

⁵ https://energyconsumersaustralia.com.au/wp-content/uploads/20230210_Submission-to-the-National-Energy-Performance-Strategy-Consultation-Paper.pdf

Evidence in Australia indicates that many consumers are typically charging off peak already, particularly when supported by retail pricing design.⁶ As Energy Queensland notes in its SmartCharge Queensland Insights Report, when a beneficial tariff or access to solar is available, the charging profile of users is favourable to consumers and DNSPs alike.⁷

We suggest that monitoring the distributional impacts of increased uptake of consumer energy resources (including EVs) and undertaking localised upgrades (which are likely offset by the savings brought about by increased network capacity utilisation due to increased uptake of EVs), is a more appropriate way to manage any emerging "clustering" issues.

2. Clear communications and advice are needed to support EV users' charger and charging decisions.

We recommend that any requirements for EV chargers are communicated in a clear and understandable manner to both industry (including installers) and consumers. It is crucial that consumers are supported to understand what their choices are, as this will enable them to make decisions that suit their household needs. For example, they need to know what the different charging device choices are to comply with the manual, how and when their charger may be controlled, if they can opt-out of this, and what form of advanced notice they will receive.

Consumers should also not have to navigate complicated exclusions or conditions.

The consumer experience of choosing an EV charger is already confusing, with multiple opportunities to 'drop off' the purchase pathway due to the volume of additional actions required. Instead of adding to the complexity, the choice of an EV, and subsequent charger, should be a seamless experience. Consumers should not have to navigate complicated exclusions or conditions, particularly if they are only Queensland-based.

3. Regulations should be nationally consistent and align with what is happening in other jurisdictions.

We note that the requirements for DNSP control of consumers' EV chargers are largely unique to Queensland. Additionally, the drafted QECM requires compliance to Queensland-specific requirements for vehicle-to-grid equipment. We do not see value in these approaches. Both these requirements, which are dissimilar to other Australian jurisdictions and overseas, will limit manufacturers from entering the market, reduce choice, and/or make products more expensive for consumers. It is at odds with the National Electric Vehicle Strategy, which acknowledges the need for national consistency around systems and standards. We strongly recommend aligning these requirements with other jurisdictions.

⁶ https://energyconsumersaustralia.com.au/wp-content/uploads/ECA-Response-to-ESB-EV-Smart-Charging-Issues-Paper.pdf

https://www.energex.com.au/ data/assets/pdf file/0004/1059331/EV-SmartCharge-Queensland-Insights-Report.pdf p 4.

⁸ https://www.datocms-assets.com/32572/1688620645-esb-cic-r3-acil-allen-international-ev-charging-insights-final.pdf p 9.

 $^{^{9} \ \}underline{\text{https://thedriven.io/2023/06/19/queensland-home-ev-charging-rules-just-got-dumber-as-network-ignores-industry/}$

¹⁰ https://www.dcceew.gov.au/sites/default/files/documents/national-electric-vehicle-strategy.pdf p 4.

We appreciate the difficulty Energy Queensland faces in balancing current and future needs of consumers and the energy system. However, we urge further work be done to assess alternative requirements for the Queensland Electricity Connection Manual, as it currently threatens Queenslanders' use of such a significant asset in their everyday lives.

Should you have any questions or require clarification, please contact Isabella Darin at isabella.darin@energyconsumersaustralia.com.au.

Yours sincerely

Melissa McAuliffe

Acting Director, Energy Services and Markets