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NSW Department of Climate Change, Environment, Energy and Water

By email:

Dear Gareth

DNISP-led EV Charging Infrastructure Consultation Paper

Thank you for the opportunity to comment on the proposal by NSW Distribution Network Service Providers (DNISP) for NSW Government support for them to deploy kerbside electric vehicle (EV) charging infrastructure.

Southern Sydney Regional Organisation of Councils (SSROC) is an association of 12 councils in the area south of Sydney harbour, including the City of Sydney, Eastern Suburbs, Inner West, St George councils, and Sutherland Shire. Together these councils represent a population of 1.8 million, many in some of Australia's most densely populated suburbs. SSROC has for some years been working with member councils to identify and address issues associated with the deployment of EV charging infrastructure, and would be pleased to share these insights with NSW DCCEEW.

SSROC looks forward to an extensive and public consultation on a draft updated NSW Strategic Plan, that shows projected charging infrastructure over the short (say 2027), medium (2030) and long terms (2040), for each of the following:

- on-street
- public and private carparks
- commercial carparking spaces
- residential (split by new build and retrofitting)

With charge points being installed in public carparks and commercial shopping centres more than in on-street locations, it appears likely that EV charging in shopping centres will probably drive patronage and potentially be subsidised by the property owners. Which raises the question of whether the DNISP's proposal represents the best use of public subsidies directed to increasing the take-up of EVs.

1 Benefits and drawbacks of the proposal

1.1 Impact on streets and residents

Kerb space is a premium community asset. So as far as possible only the minimum effective amount of kerb side charging should be deployed. Most EV charging should happen at work and/or at home, or at high-visitation destinations, particularly shopping centres. This will reduce current and future conflicting uses and disputes over the kerbside. Tourists should be able to charge at their short term stay accommodation options. Charging on private property should be promoted as much as possible. Subsidies to accelerate the take-up should therefore be made

available for apartment retrofits, public carparks and shopping centres to help create a healthy market.

1.2 No clear justification

The consultation paper states that “A DNSP-led roll out of kerbside chargers could potentially speed up the roll out, reduce installation and maintenance costs and provide better standards of maintenance and up-time.” But the paper offers no evidence or justification of this assertion, nor any explanation of what the proposal has been compared with. It is therefore not convincing.

SSROC recommends that a proper business case be developed for the proposal, and that it be subjected to public scrutiny. Only once a clear justification for the proposal can be seen would it be possible to state whether or not the model is supported.

Councils will undoubtedly have to deal with community concerns about the deployment of on-street EV charging infrastructure (EVCI), since local issues such as on-street infrastructure are reported to the local council. If they are supportive, or at least understand the justification, they will be better able to respond to these concerns.

1.3 Impact on Councils

The Consultation Paper rightly identified that the DNSP-led model “would have implications for existing market participants as well as Councils”. SSROC strongly recommends that the government collaborate fully with Councils and with the broad EV sector to ensure that any solutions that it chooses to progress will be delivered as effectively and efficiently as possible. This current restricted, targeted consultation is insufficient to provide the government with a comprehensive range of views, interests and risks. However, there is still an opportunity for public consultation on the draft refreshed NSW EV Strategy.

1.3.1 The need for consultation and collaboration

The efficient and effective delivery of EVCI cannot be achieved if Councils and the EV sector are left to respond to a well-intentioned but potentially ill-conceived roll-out of a particular type of infrastructure. This risk would increase further where they have already installed EV chargers on their own or in partnership with Charge Point Operators (CPO), including as part of NSW Government Kerbside EC Charging Grant program. This reality needs to be fully taken into consideration in any DNSP-led model.

1.3.2 Council Strategic Planning

Councils devote substantial resources to community consultation and local strategic planning. The SSROC area is covered by Ausgrid, whose efforts at consultation have improved substantially in recent years. Ausgrid has undertaken that it will liaise with councils over the locations of on-street chargers, and has demonstrated its commitment to that undertaking in locating a charger within SSROC’s area. This commitment should be clearly given by all DNSPs in any DNSP-led roll-out of EVCI, so that councils retain control over locations and can align deployment with their strategic plans, precinct plans, developments etc.

1.3.3 Street Light Poles

Ausgrid poles that support street lights are generally funded by councils. If these poles are used to mount EVCI (or any other commercial infrastructure), SSROC would very strongly urge a revenue-share arrangement for the use of the council-funded pole. Ausgrid has given verbal assurance that street lighting poles will not be used for this purpose, however, this should be covered in any scheme for pole-mounted commercial infrastructure, including EVCI.

2 Response to the DNSP proposal

2.1 Strategic context required

SSROC agrees that the issues identified by stakeholders and listed in the Discussion Paper are critical to the future of EVCI. At this point a serious concern is that this proposal from the DNSPs is premature. Although worthy of consideration in drafting the updated NSW EV Strategy, the merits of the proposal cannot be assessed without the context of the broader NSW strategic approach. (Ausgrid has advised SSROC that this consultation will be an input to the draft revised EV strategy.)

While SSROC is generally supportive of the roll-out of EVCI, it does need to be a strategic, planned and controlled roll-out. High level system objectives would be helpful to avoid piecemeal decision-making for the system.

In SSROC's view, too many questions remain that should be addressed in the revised EV Strategy and supporting evidence-based delivery plan. In addition to the points already identified in Discussion Paper:

- It is unclear how DNSPs, as regulated businesses, can gift the use of their assets to their commercial subsidiaries, without similarly gifting the use of assets to other commercial operators. Any use of the regulated assets needs to be on arms length terms under a Facilities Access Agreement which earns a return for electricity customers who pay for the assets. Ausgrid's commercial business, Plus ES, should not be given preferential terms.
- How would DNSP's prices be regulated in the short, medium and long term? DNSPs will naturally seek to maximise profits and revenue and minimise risks.
- Will installations on private land and in public carparks have the potential to create stranded on-street assets, where the costs of decommissioning and removal then flow back to general electricity users?
- Our urban environments are becoming more dynamic and changing all the time: will councils be able to require the removal of EV charging equipment without compensation being paid?

3 Drawbacks to DNSPs installing, owning and maintaining kerbside chargers

3.1 Potential conflict of interest

SSROC's Regional Approach to EVCI noted concerns that DNSPs' commercial interests may be at odds with the spatial distribution of the need for EV charging services. The street-pole roll-out option is the DNSPs' preferred commercial option, but their need to balance demand on the electricity grid could be at odds with the spatial distribution of the need for EVCI.

3.2 Need for strategic deployment of EVCI types

There is limited off-street capacity, particularly in the City and Eastern suburbs, so publicly accessible charging facilities either on the street or at other locations are part of the solution. The exact mix will vary depending upon the urban typology of each suburb.

It would be in the public interest for councils to have this information to enable them to minimise over- and under-provision of EVCI in the local area, particularly where new developments are proposed. A DNSP-led model should include data-sharing arrangements for council EV and transport strategy and planning. The proposal is silent on this question, and there may be an assumption on the part of the DNSPs that the would be deemed commercial-in-confidence and therefore not shared.

3.3 Evolving Technology

EV technology is quickly evolving, and infrastructure installed in 2013 in the United Kingdom is already being replaced with higher capacity charging units¹. SSROC's EV Working Group in 2023 identified some key issues in southern Sydney and parts of northern Sydney as a) grid supply constraints on zone substations and streets and b) rapidly changing technology.

The Discussion Paper is silent on how much the capacity of the grid would be affected by the implementation of the proposal, so SSROC is unclear how (or if) the EVCI need would be reconciled against the capacity of the grid infrastructure. A DNSP-led model for these slow pole-mounted chargers might need to address capacity upgrades in the network at locations where the chargers are needed, particularly given rapid technology evolution that may deliver the possibility of pole-mounted higher-speed chargers before long.

EV charging is a land use issue and hence the need to understand and appreciate the surrounding land use and competing land use claims. Aesthetics/streetscape are a factor in determining the type of chargers. While the currently proposed small, slow, pole-mounted chargers arguably have a low impact on the public domain, kerbside chargers should not be permitted without due consultation and public acceptance, especially if they increase in size.

4 Required Safeguards

4.1 Regulatory Impacts

The paper states that *“Existing market participants would still have the opportunity to gain access to DNSP assets such as power poles but need to adapt their business models or even develop new business models for locations where the DNSPs would install, own and maintain kerbside chargers.”*

It is important to act on that recognition rather than expect the market to fix the effects of the intervention in its operation. The proposed DNSP subsidiary model appears to be a place-based regional monopoly, where people without access to charging on private property are largely a captive market. Monopolies should have no part in a well-functioning competitive market, and would require regulation to ensure that their advantage is not used to exploit customers. High level system objectives in the EV Strategy would be helpful to avoid fragmented decision-making for this market design element.

An electricity supply authority or a public authority may under the NSW SEPP (T&I) 2021 install an EVC unit as exempt development on existing electricity poles or lighting poles. Some of the exempt developments are of concern for councils, particularly where EVCI in the public domain create parking issues and ongoing enforcement and maintenance costs. While Ausgrid has stated that no dedicated parking spaces are sought under the proposal, this should be explicit in any DNSP-led scheme. Alternatively, should a DNSP seek to add a dedicated parking space adjacent to a charger, then council must have a right to veto that request.

4.2 Regulation location decisions

While SSROC member councils are open to an EV charging strategy and options that will meet needs of the community, they will be wary of a monopoly provider that would usually try to drive out competition, occupy premium revenue locations and manipulate EV charging supply so their prices remain high. At the strategic level, the locations must be required to align with the NSW Government's [EV Charging Priorities](#)², and by agreement with the local council to determine the exact location to align with with council's strategic priorities and parking policy.

¹ Simon Swan, Arcadis Global Solution Director for New Mobility. Presentation at Committee for Sydney event. Accelerating Sydney's EV Infrastructure.

² Available: <https://experience.arcgis.com/experience/aae81da348994bbcaf534e369953045a/> accessed:19/7/24

4.2 Council role in regulating on-street EVCI

As noted previously, SSROC recommends that councils clearly participate in decision-making about any infrastructure located in the public domain. In the case of EVCI there are a range of principles that councils would need to adhere to when making those decisions:

- Design of charging units should be best fit for the location including consideration of safety, frontage uses, visual amenity, streetscape, heritage
- Charging units' design and location needs to be suitable for drivers with mobility disability
- All sites subject to a traffic assessment including impacts on pedestrians and cyclists
- If the charger is equipped with a charging cable, it should be self-retracting, should not result in a trip hazard and should be brightly coloured, high visibility
- Visual impact should be minimal and the unit should not reduce the amenity of the surrounding environment or neighbourhood
- The DNSP-led model proposal should include appropriate community consultation.

5 Funding for initial installation under the proposal

5.1 Use of public funds

It is not clear to SSROC that this proposal represents the best use of NSW public subsidies to support the adoption of EVs. EV charging on private commercial premises might be funded by the relevant business/es or operator and would probably be tax deductible.

5.2 Recovery of investment

Should the DNSP fund the initial installation then the cost should not be recovered from electricity customers, which would effectively target EV-drivers to benefit, while sharing the cost across the broader community. If the DNSP were to recover costs from the EV-drivers or operators, that would be preferable.

Pricing, regulations and subsidies in the areas that are and are not covered by the proposed model would be in simultaneous operation. They would need to be coordinated to avoid setting up either model to fail by unfairly disadvantaging the other. This would breed distrust, lead to avoidable financial loss, and could impede Councils' and CPOs' confidence in future initiatives and investments.

5.3 DNSP or the commercial subsidiary

It is not clear to SSROC how the DNSP could justify any of the proposals for funding, since (unless regulated) a commercial operation is proposed, which would be outside the scope of the operations of the regulated business. The commercial subsidiaries of the DNSPs operate in a normal competitive commercial market, where an investment in the business would be recovered from the operation of the business i.e. by the subsidiary (not the DNSP) from the EV owners or CPO.

6 Funding for ongoing maintenance and replacement under the proposal

The same considerations apply as for section 5 above.

7 Other comments and concerns

7.1 Issues Identified by Stakeholders

The consultation paper recognises a range of issues identified by stakeholders. For SSROC these issues are still of concern, and need to be resolved in order to deploy charging infrastructure efficiently and effectively:

- Ownership and liability associated with the installation of infrastructure in the public domain, which gives rise to insurance implications
- EV charging spaces reducing other street parking
- Visual intrusiveness and streetscape aesthetics of kerbside charging infrastructure
- Ongoing responsibility for costs of monitoring, maintenance, repairs and decommissioning
- Uncertainty about the planning framework and strategic direction for determining appropriate locations of kerbside chargers
- Unclear commercial viability
- Compliance with relevant installation standards

Collaborative planning with councils is absolutely critical to this proposal, not only in identifying optimal locations for kerbside chargers and reducing conflicts over public domain works. Councils will inevitably receive complaints about the infrastructure, trailing cables, use of a car space and misuse of rates revenue (residents often assume that kerbside infrastructure belongs to council).

8 Conclusion

Thank you for the opportunity to contribute to this consultation, although we note that the consultation is restricted, and recommend that any further development of the proposal be subject to public scrutiny.

SSROC is represented on Ausgrid's Customer Consultative Committee. I have reviewed and signed that submission as well as developing this council-focused one. SSROC acknowledges and commends Ausgrid for consulting on its approach.

Please note that, in order to submit this proposal in a timely manner, it has not be possible for it to be reviewed and endorsed at a formal meeting of SSROC Delegates. Should any material issue arise as a result, I will contact you. However, given that this is an early and limited engagement to inform the broader consultation on the draft refreshed EV Strategy, that seems unlikely.

Yours sincerely

A handwritten signature in black ink, appearing to read "H Sloan", is positioned below the "Yours sincerely" text.

Helen Sloan
Chief Executive Officer
Southern Sydney Regional Organisation of Councils (SSROC) Inc