



Australian Government
Australian Renewable
Energy Agency

ARENA

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Attn: Ms Stephanie Jolly
Executive General Manager
Consumer, Policy and Markets Division
Australian Energy Regulator
GPO Box 520 Melbourne VIC 3001

GPO Box 643
Canberra ACT 2601
arena.gov.au

ARENA supports CPU EV charging infrastructure ring-fencing waiver application¹

The Australian Renewable Energy Agency (ARENA) supports CitiPower, Powercor, and United Energy's (CPU) request for a waiver from clauses 3.1 and 4.2 of the AER Ring-fencing Guidelines² to trial electric vehicle charging infrastructure (EVCI), subject to the conditions outlined later in this submission.

Compliance with the AER's Ring-fencing Guideline

ARENA understands that CPU is seeking a waiver for two clauses in the AER Ring-fencing Guideline:

1. **Clause 3.1(b)** prohibits a DNSP from providing services that are not 'distribution services' or 'transmission services'. ARENA supports CPU's application for a waiver from clause 3.1 for the trial period and, additionally, agrees that EVCI services should be considered a distribution service, as defined by the National Electricity Rules (NER)³.

¹ AER [Consultation on CPU's ring-fencing waiver application for providing kerbside EVCI](#)

² AER [Ring-fencing Guideline Electricity Distribution, Version 4 February 2025](#)

³ NER (version 227) defines distribution services as "a service provided by means of, or in connection with, a distribution system".

1. **Clause 4.2** requires the functional separation of offices, staff, branding and promotions. ARENA agrees that permitting CPU's regulated workforce to install and maintain EVCI should lower costs and support efficient deployment of the necessary infrastructure, and that strict compliance with clause 4.2.2 could increase customer costs. ARENA encourages the AER to review clause 4.2 in future updates to the Ring-fencing Guidelines to ensure that functional separation requirements appropriately consider cost impacts as the role of DNSPs evolves.

Key consultation areas

Nature of the market failure

The existing lack of public charging infrastructure is a material barrier to EV adoption in suburban and regional areas where commercial returns are more challenging for Charge Point Operators (CPOs). High capital costs, low early utilisation rates, complex connection processes, and information asymmetries hinder third-party deployment. ARENA agrees that facilitating DNSPs to support public charging rollout — with appropriate transparency and safeguards — can address clear market gaps and deliver public benefit.

ARENA projects have highlighted financial and operational challenges for CPOs as key barriers to the deployment of public EV charging assets. These barriers are compounded by the relatively lower asset utilisation and higher maintenance cost expectations for regional areas, as compared to metropolitan. The process for a CPO to identify an optimal site often requires extended site mapping, early engagement with DNSPs, and (at times) lengthy network applications for these sites. In contrast, DNSPs typically have sufficient network visibility to efficiently identify optimal sites, thus removing early time and cost inefficiencies for the CPOs. Reducing the setup costs may allow CPOs to earn a commercial return, reducing barriers to regional deployment.

Site selection

ARENA supports CPU's proposed site selection approach, combining high EV ownership areas and government consultation. Additionally, ARENA encourages CPU to consider:

- Co-locating chargers with public amenities to improve utilisation rates.

- Future-proofing site design to accommodate smart charging and, where feasible, V2X capabilities.

Charging infrastructure

ARENA recommends CPU prioritise deployment of open protocol DC fast chargers (50–150kW range) with the flexibility to incorporate V2X-ready equipment where practicable. Smart charging capabilities should be standard to enable future grid integration.

Competition impacts

ARENA does not consider that the trial presents material adverse competition risks. Rather, by reducing EVCI deployment costs and barriers, the trial is likely to enable broader market participation by private CPOs and expand consumer choice. While there is the potential for the model to modestly affect competition for standalone chargers, such as street chargers, it is unlikely to impact the viability of charging hubs or the overall range of customer choice. Additionally, the trial may create opportunities for multiple CPOs to manage chargers across CPU's trial area, supporting increased competition among CPOs and contributing to lower costs and improved outcomes for consumers.

Discrimination

ARENA agrees with the AER's observation that DNSPs' advantages over third parties may result in discriminatory and anti-competitive behaviour, including withholding valuable information that can inform third-party site locations, delaying connections requests, and imposing unfair access pricing and conditions. ARENA supports the AER's interest in DNSPs developing fair and transparent processes to respond to third parties' requests for connections and anticipates that the National Consumer Energy Resources (CER) Roadmap will go towards mitigating these risks through the implementation of harmonised and streamlined CER/EV connection processes⁴.

ARENA also acknowledges stakeholders' concerns that Victorian DNSPs' annual lease charges for using their infrastructure (such as proposed EVCI) are set at a rate that may be

⁴ DCCEE [National CER Roadmap](#), National Reform Priority P2 Faster harmonised CER connection processes, including for EV chargers, pg. 24.

disproportionate to the expected cost for similar arrangements set by DNSPs in other states⁵. As such, ARENA proposes that DNSPs' charges to third parties should either be cost-reflective and/or be regulated as part of the five-year reset process (if not already required).

Recommended waiver conditions

ARENA supports the inclusion of the following waiver conditions:

- Integration of V2X chargers, where feasible, to support future energy system benefits.
- Publicly sharing trial data and insights to inform industry best-practice (see below).

ARENA supports the minimum public data requirements⁶ outlined in the AER's consultation paper, and encourages CPU to share the following information:

- Impact of EVCI charging on demand in local networks, and the impact of power quality on the network from customer charging behaviour.
- Impact of customer charging on price elasticity during periods of both low and high demand
- Understanding utilisation rates of local area identities, for instance utilisation of residential streets compared to commercial and no-off-street parking locations to inform demand forecasting.
- CPU to develop and publish a robust method for site selection.
- Connection times (and reasons for any discrepancies and differences) for CPU-affiliated and non-affiliated CPOs to safeguard against anti-competitive behaviour.
- Financial and/or contractual data, including maintenance and lease costs.
- Charger usage (consumption and frequency).
- Network demand impacts and power quality observations.
- Fault and outage frequency and resolution times.
- Price elasticity insights from usage patterns.

⁵ AER [CPU EVCI Ring-fencing Consultation Paper](#), pg. 16-17.

⁶ AER [CPU EVCI Ring-fencing Consultation Paper](#), pg. 18.

ARENA supports CPU's statement that *"a key benefit of the waiver is the ability of the networks to publicly share insights, data, and learnings from the deployment of EVCI with other industry participants, promoting best practices, optimising infrastructure development, and contributing to an informed and competitive EV charging market for the benefit of electricity customers."*⁷

Insights from ARENA projects

ARENA's funding and knowledge sharing experiences through programs such as the Future Fuels Fund and the National Ultrafast Charging Network have been summarised in this [Insights compendium](#), which highlights the importance of early DNSP engagement, data-driven site selection, cost transparency, and flexible grid-responsive infrastructure. ARENA encourages CPU to leverage these insights to maximise trial success.

Summary statement

ARENA supports CPU's application for a ring-fencing waiver to trial the provision of public EVCI and encourages a strong focus on data sharing, competition neutrality, and future-proofed investment to ensure enduring public benefits.

About ARENA

The Australian Renewable Energy Agency (ARENA) was established in 2012 by the Australian Government. ARENA's function and objectives are set out in the *Australian Renewable Energy Agency Act 2011*.

ARENA provides financial assistance to support innovation and the commercialisation of renewable energy and enabling technologies by helping to overcome technical and commercial barriers. A key part of ARENA's role is to collect, store and disseminate knowledge gained from the projects and activities it supports for use by the wider industry and Australia's energy market institutions.

Contact

⁷ Ibid.

Please contact Caitlin Sears, Senior Policy Advisor, via [REDACTED] if you would like to discuss any aspect of ARENA's submission.

Yours sincerely,

[REDACTED]

Lyndon Collyer

A/g General Manager, Project Delivery

Australian Renewable Energy Agency