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Submission to Australian Energy Regulator

Ring-fencing waiver application for an EV charging infrastructure trial from Essential Energy

Evie Networks | 14 July 2026

About Evie Networks

Evie Networks is Australia's largest owner-operator of public direct-current (DC) fast EV charging infrastructure. Since our establishment in 2018 we have built a national network of more than 300 charging stations and 1,000 bays of charging, serving all capital cities, intercity corridors and regional areas.

Over the past twelve months alone our national network has delivered approximately 40 GWh to drivers, enabling about 250 million kilometres of zero tail-pipe emission travel for drivers of passenger cars, light commercials and an emerging cohort of battery-electric trucks.

Executive Summary

Evie Networks supports the objective of improving access to public EV charging in regional New South Wales.

However, Evie does not support the waiver as proposed. Essential Energy's proposed Plug and Play trial is framed as a two-stream comparison: Stream 1 seeks to reduce site-selection and connection barriers across approximately 1,000 pole locations for third-party owned chargers; Stream 2 would involve approximately 300 DNSP-owned in-asset chargers in locations where commercial deployment has not occurred.

Evie is concerned that the proposed design may not provide a fair test of the two hypotheses Essential Energy has identified:

1. whether regional EV demand is too low to support commercial deployment, even with fewer barriers to deploying EV charging infrastructure (EVCII); and
2. whether limited charging availability is suppressing demand and investment.

This is because Stream 1 asks CPOs to invest their own capital and bear utilisation risk at locations selected by Essential Energy, which may still result in limited deployment. Stream 2 involves Essential Energy deploying DNSP-owned infrastructure using ARENA funding and Essential Energy funding, limiting their incentive to deploy these assets only where they are likely to deliver strong driver utilisation and end-user benefit.

The trial also appears to operate in isolation from existing state-based funding programs. If Stream 1 expects CPOs to take 100 per cent capital and utilisation risk in challenging regional locations, while Stream 2 is grant-supported and DNSP-led, the trial cannot fairly conclude that low CPO uptake demonstrates market failure. Differences in deployment between the streams therefore cannot establish that DNSP-led delivery is preferable or that the competitive market has failed.

In assessing the waiver, the AER should have regard to the purpose of the ring-fencing framework, including the need to prevent cross-subsidisation, discrimination and distortion of contestable markets. The waiver should not be assessed only as a regional charging trial, but as a proposal that would allow a regulated DNSP to own and lease infrastructure used in a contestable EV charging market.

The AER should refuse the waiver as proposed. If the AER proceeds to grant any waiver, it should only do so subject to strict conditions, including a published causal evaluation of uptake under the trial compared to control areas, CPO-led or CPO-co-led site selection, utilisation and performance obligations for DNSP-owned assets, no Regulated Asset Base (RAB) recovery, clear end-of-life arrangements and an express statement that the findings are not extrapolated beyond the Essential Energy territory and prevailing policy and market conditions. Critically, the waiver must not be used to establish an enduring DNSP role in EV charging.

1. The two-stream design is not a reliable test of market participation

Evie is concerned that the proposed two-stream trial does not provide a neutral or fair comparison between market-led and DNSP-led deployment. The design risks creating the impression that DNSP-led rollout is more effective than commercial deployment, with the resulting conclusions potentially relied upon by other DNSPs. For example, Stream 1 is being used to test whether reducing site-selection and connection barriers is sufficient to stimulate market participation. However, the trial cannot support that conclusion unless the 1,000 enabled pole locations are selected through a process led or co-led by CPOs and informed by EV-driver demand.

1.1. The scale of the trial compared to Essential's network

Essential Energy reports that its network area covers 737,000 square kilometres, with approximately 1.4 million power poles, 183,000 km of overhead powerlines and 11,000 km of underground powerlines.¹

Against that scale, 1,000 enabled poles is a very small and highly selective sample. It equates, in broad terms, to approximately one enabled pole for every 737 square kilometres or 194 kilometres of circuit line.

The evidentiary value of Stream 1 therefore depends almost entirely on which locations are selected and who selects them.

1.2. Stream 1 and Stream 2 allocate risk differently

The two streams also allocate capital and utilisation risk differently. Under Stream 1, a CPO is expected to deploy its own capital and take commercial risk. If the site is poorly located, underutilised or does not meet driver needs, the CPO bears that risk directly through lower revenue and a lower return on invested capital.

Under Stream 2, Essential Energy proposes that all costs will be funded through ARENA grant funding and shareholder funding, that no Stream 2 costs will be recovered through regulated network charges, and that no expenditure will be included in the RAB.

Evie welcomes the statement that the trial is not proposed to be RAB-funded. However, even if Essential Energy's contribution is not RAB-funded, the risk profile is not equivalent to that faced by a CPO deploying a charger in a regional location. A CPO must select a site on the expectation that drivers will use it. If drivers do not use it, the CPO carries the loss. It is not clear that Essential Energy is exposed to an equivalent utilisation risk under Stream 2.

1.3. A DNSP-led trial should not be used to prove DNSP-led deployment is needed

Evie is concerned that Stream 1 could produce a self-fulfilling conclusion. If Essential Energy selects 1,000 pole locations across a very large regional network, asks CPOs to invest at those locations without equivalent co-funding, and then records limited CPO uptake, that outcome should not be treated as evidence that the competitive market has failed.

It may instead show that the wrong locations were selected, that locations were selected for network convenience rather than driver demand, or that there was insufficient EV-driver demand at those specific locations.

A trial that does not involve CPOs in site location is not likely to succeed. If the resulting failure is then used to justify DNSP-owned infrastructure, the trial will have manufactured the very market-failure evidence it purports to test.

¹ Essential Energy, [Annual Report 2024-25](#), Oct 2025

2. The trial should not proceed unless locations are transparently market-tested and selected through engagement with CPOs and councils

2.1. CPOs must be involved in selecting and testing Stream 2 locations

Essential Energy proposes that Stream 2 apply to locations where commercial deployment has not occurred. That is a relevant indicator, but it is not a sufficient basis for DNSP-owned deployment.

Before any Stream 2 deployment proceeds, Essential Energy should be required to demonstrate that CPOs were given adequate information about the proposed location, asked whether they would deploy at or near the location, and allowed to nominate alternative nearby locations.

CPO involvement in Stream 2 site selection is essential because CPOs are best placed to assess whether a location is likely to serve EV drivers. Essential Energy cannot credibly conclude that CPOs are not interested in deploying at a location unless CPOs have been asked, given meaningful information and given the opportunity to propose alternatives.

2.2. The proposed trial does not reflect the facilitative role of councils in EVCI planning

Local councils are essential to successful kerbside and regional public charging deployment. Site selection depends not only on network suitability, but also on parking arrangements, planning approvals, land access, local amenity, visibility, accessibility, safety and alignment with local transport and tourism needs. These are matters where local councils play an important role.

This is consistent with international practice. In the Netherlands and United Kingdom, local or municipal government plays a central planning and facilitation role, while CPOs remain responsible for capital deployment, operation and customer service. The relevant lesson is not that DNSPs should own chargers, but that public policy can support local planning, site coordination and demand de-risking while preserving competitive delivery.

	Netherlands	United Kingdom
Key programs	National Agenda for Charging Infrastructure regional concessions	- On-Street Residential Charge-point Scheme (ORCS) 2017-24 - Local EV Infrastructure (LEVI) Fund 2023-30
Scale delivered	Approximately 175,000 ² installations nationally	Approximately 75,000 ³ installations nationally, including LEVI and ORCS
Roles	Municipality awards concession; CPO finances, connects, installs and operates; network approves	Local authority plans sites and tenders long-term contracts; CPO finances and operates; network

² McLoughlin, L. (2025, February 19). [Europe reaches 1 million public EV charge points, set to double by 2029](#). Electric Vehicle Charging & Infrastructure

³ Department for Transport. (2025, February 5). [Electric vehicle public charging infrastructure statistics: January 2025](#)

	technical connection but does not own assets.	provides connection under regulated timelines.
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Both Stream 1 and Stream 2 should therefore require meaningful engagement with CPOs and councils in site selection, with Essential Energy focused on distribution network considerations – namely network information and hosting capacity and safety standards.

3. The proposal is working in isolation from existing funding programs

Regional EV charging programs in Australia have commonly involved public co-funding through state-based programs. This does not mean the competitive market has failed, but reflects that these programs have targeted and de-risked deployment in regional locations where charging infrastructure provides value.

For example, NSW's EV fast charging grants have co-funded public fast-charging stations to fill regional and metropolitan blackspots, with \$76 million in NSW Government co-funding supporting 184 fast-charging sites and 1,032 charging bays across rounds 1-3, stimulating \$195 million in private investment⁴. NSW's destination charging grants similarly provide targeted support for regional visitor destinations, including co-funding CPO-owned and operated low-power DC chargers in eligible regional zones.⁵

If Stream 1 of Essential Energy's trial expects CPOs to deploy at regional pole locations without comparable co-funding, while Stream 2 proceeds using ARENA and Essential Energy funding, the trial will not provide a fair test of market appetite.

Without accounting for targeted co-funding, the trial risks comparing an unsupported CPO-led pathway with a funded DNSP-led pathway and drawing unreliable conclusions about market appetite.

3.1. The trial should be integrated with ARENA, NSW Government and other state-based charging programs

The AER should require Essential Energy to explain how Stream 1 and Stream 2 interact with existing and future ARENA, NSW Government and other state-based charging programs. The trial should not operate as an isolated DNSP process disconnected from the broader policy toolkit used to support regional charging deployment.

A properly designed approach would combine CPO-led site selection, Essential Energy network enablement, council engagement, and targeted co-funding where needed.

Evie Networks would engage with Essential Energy under such a framework.

4. The waiver is premature given live AEMC work on DNSP roles and ring-fencing

⁴ NSW Climate and Energy Action, [Fast charging grants](#), accessed July 2026

⁵ NSW Climate and Energy Action, [Electric vehicle destination charging grants](#), accessed July 2026

The waiver is being considered while broader AEMC work is underway concerning the enduring role of DNSPs in EV charging, distribution ring-fencing and the boundary between monopoly network services and contestable energy services⁶. The AER should be cautious not to approve a waiver that creates a precedent before these broader issues are resolved.

Even if the waiver is framed as narrow and time-limited, the trial findings may be used in broader policy debates to support DNSP-led EV charging models. The AER should require the trial to be CPO-led or CPO-co-led where it tests market appetite, and should state expressly that the waiver does not establish a general role for DNSPs in owning EV charging infrastructure.

5. If the AER grants the waiver, strict conditions must apply

Evie's primary position is that the waiver should be refused as proposed. If the AER proceeds to grant the waiver, it should only do so subject to strict, enforceable conditions.

1. Collaborative site selection with CPOs and councils

Essential Energy must be required to collaborate with CPOs and local councils so these parties are directly involved in site selection. This requirement should apply to both Stream 1 and Stream 2. For both streams, CPOs should be able to nominate or co-select locations and councils should be involved in assessing parking, access, amenity and local demand. For Stream 2, Essential Energy must demonstrate that CPOs and councils were consulted, given adequate information and allowed to nominate alternative locations before deployment.

2. Transparent information-sharing and non-discrimination obligations

Essential Energy should be required to provide CPOs with transparent and equivalent access to relevant network capacity, pole suitability, technical assessment, connection cost and connection timing information throughout the site selection process.

Essential Energy should also be required to demonstrate that Stream 2 sites do not receive preferential treatment in assessment, connection timing, maintenance, fault response or access to network information.

3. Stream 2 must be subject to utilisation and performance obligations

Stream 2 is particularly vulnerable to weak success metrics because the DNSP-owned infrastructure can be deployed even where a CPO would not invest. That is why any waiver must include utilisation and performance obligations.

At a minimum, Essential Energy should report utilisation, number of charging sessions, energy delivered, uptime, fault response time, price paid by drivers, customer complaints and accessibility.

4. Stream 2 must be subject to a credible causal evaluation

If the AER grants the waiver, Essential Energy should be required to publish a detailed evaluation before and after Stream 2 deployment.

At a minimum, areas receiving Stream 2 chargers should be compared with a range of suitably matched control areas that do not receive pole-mounted chargers. Control areas should be selected having regard to relevant characteristics including existing EV

⁶ AEMC, [AEMC commences review of electricity network regulation](#), 25 June 2026

uptake, population and settlement density, household income, housing and off-street parking characteristics, existing public charging availability, traffic and tourism patterns, and proximity to major transport routes.

Without a credible causal evaluation, an increase in EV uptake cannot reasonably be attributed to Stream 2. The evaluation must demonstrate that observed growth is incremental to broader market trends and other drivers of EV adoption. This is particularly important in regional areas, where most households have access to off-street parking and can charge at home, making it unlikely that pole-mounted public charging would, by itself, be a material driver of EV purchasing decisions.

5. No extrapolation of conclusions to other distribution areas

Evie is concerned that the two-stream approach is designed to prove that DNSP-led rollouts are preferable to commercial rollout. This is being tested in the Essential Energy territory that has very different characteristics to other distribution areas.

Any waiver decision should state expressly that the findings are specific to the selected sites, Essential Energy's unusually large and dispersed regional territory and the funding and policy settings applying during the trial. As such, any outcomes from the trial should not be extrapolated from the selected sites to other distribution areas.

Additionally, the trial is working in isolation from any other government programs that are usually required to promote infrastructure deployment. If any substantial policy or market changes emerge - such as a national EV charging strategy, new regional co-funding arrangements or material reforms to connections and network tariffs - the trial findings should be reassessed before they are relied upon. Findings produced under materially different or superseded policy or market settings should be treated as trial-specific evidence, not as a continuing demonstration of market failure beyond the locations and conditions tested.

6. Essential Energy must demonstrate who bears capital and utilisation risk

Essential Energy states that Stream 2 will be funded through ARENA grant funding and shareholder funding and will not be recovered from regulated network customers. The AER should require Essential Energy to transparently identify the source of all non-ARENA funding, whether any regulated-adjacent allowance or internal innovation funding is used, how revenue from access fees is treated, and whether Essential Energy has any financial exposure to underutilisation.

7. No direct or indirect regulated customer cross-subsidy

The AER should require strict separation between regulated and unregulated activities. The waiver should prohibit direct recovery of Stream 2 costs through regulated network charges. This should also include staff time, systems, corporate overheads, maintenance, replacement, metering, fault response, and any costs associated with the composite pole or in-asset charger.

8. No trial costs, replacement costs or continuation costs should enter the RAB

The waiver should expressly prohibit trial assets, replacement assets, operating costs, maintenance costs, end-of-life costs or continuation costs from entering the RAB. This should apply both during the waiver and after the waiver ends.

9. End-of-life sale or transfer pathway

At the end of the trial, assets should be sold to CPOs or another contestable provider through an open process or transferred through transparent market testing. They should not remain with Essential Energy.

6. Conclusion

Evie supports regional EV charging and supports genuine cooperation between DNSPs, CPOs, councils, governments and regulators.

The current waiver application risks converting a genuine regional deployment challenge into evidence for a DNSP-led market model. If Essential Energy selects the sites, Stream 1 will not be a fair test of CPO deployment. If Stream 2 success is measured by installation count rather than utilisation and driver benefit, the trial will be biased toward DNSP-owned deployment. If the trial ignores existing funding programs and input from CPOs, it risks being designed to fail and then being used to demonstrate market failure.

The AER should not grant the waiver as proposed. If the AER grants any waiver, it should require a credible causal evaluation, CPO-led or CPO-co-led site selection, integration with state-based programs, utilisation-based success measures, an express limitation preventing the findings from being extrapolated beyond the trial location and conditions, funding transparency, no cross-subsidisation or addition to the RAB, and a clear exit pathway from DNSP ownership.