15 July 2026

Ms. Stephanie Jolly
Executive General Manager, Consumer, Policy and Markets Division
Australian Energy Regulator

Submitted electronically

Dear Ms. Jolly,

JEC submission to Essential Energy's ring-fencing waiver for EV charging infrastructure

The Justice and Equity Centre (JEC) welcomes the opportunity to respond to the Australian Energy Regulator's (AER) Essential Energy ring-fencing waiver for EV charging infrastructure consultation paper (the Paper).

JEC supports the fair and efficient deployment of public EV charging infrastructure. We consider the objectives of the proposed trial broadly consistent with this goal, particularly where it seeks to support deployment in regional and underserved communities.

However, we question the assertion that the proposal is a "fully reversible intervention" that neither establishes nor endorses an ongoing distribution network service provider (DNSP) role in the provision of public EV charging infrastructure.

Several aspects of the proposal remain unclear, particularly the risks borne by electricity consumers and the arrangements for winding down Essential Energy's involvement at the end of the trial. These issues are central to determining whether the trial is genuinely temporary and whether it is likely to promote the long-term interests of consumers.

Consumer risk and trial exit arrangements

The Paper states Essential's role would be limited to owning, installing, maintaining and leasing the charging infrastructure. Essential also states in its application that no costs associated with Stream 2 will be recovered through regulated network charges and that no expenditure will be included in the regulated asset base.

JEC supports this approach. As a matter of principle, subsidies for transport users, including EV drivers, should not be funded through electricity bills.

However, the treatment of these assets after the trial concludes remains unclear. In particular, there is little information about how ownership, maintenance, and associated costs will be managed over the longer term.

This issue is significant because access to EV charging infrastructure embedded within composite poles is restricted to DNSP-accredited personnel for safety and system security reasons. As a result, Essential may have an ongoing role in maintaining these assets throughout their operational life, regardless of who ultimately owns them.

We are concerned that these costs may be passed on to electricity consumers. We therefore seek greater clarity on proposed governance arrangements to manage this risk and ensure that maintenance and related costs are not recovered through regulated revenue.

JEC also seeks clarification about the stewardship of these assets following the end of the trial. For example:

- Is Essential required to sell the assets if there is commercial interest in acquiring them?
- What obligations, if any, exist to test the market for that interest?
- What stranded asset risk will consumers bear if the assets prove commercially unviable?
- If the assets remain unsold, could they subsequently form part of Essential's regulated asset base?

Clear answers to these questions are necessary to demonstrate that the trial is genuinely reversible and does not create future liabilities for electricity consumers.

Competition and market development

The trial's benefits may also be limited by the proposed single charge point operator (CPO) model.

Restricting each charger to a single operator reduces interoperability across charging platforms and may contribute to a fragmented charging experience for EV drivers in regional New South Wales. While we acknowledge the practical challenges involved in enabling multiple operators to access a single connection point, a more competitive model would likely deliver greater benefits to consumers over the longer term.

Essential's application refers to the possibility of a future model that allows multiple CPOs to access charging infrastructure. We are interested in how the proposed trial will generate insights that support the development of such a model. Essential should share these and other relevant learnings on an early and ongoing basis throughout the trial, rather than only at its conclusion, when the insights are likely to be less valuable to stakeholders.

If the trial proceeds with a single-CPO arrangement, Essential should provide evidence to the AER that its procurement and tendering processes treat all CPOs fairly and on a non-discriminatory basis.

DNSPs should facilitate, rather than dictate, site selection

JEC is also concerned about proposals that would give DNSPs responsibility for identifying locations for EV charging infrastructure.

DNSPs are network businesses rather than transport planners or charging infrastructure specialists. Their incentives are not necessarily aligned with delivering the best outcomes for both EV charging users and electricity consumers. As a result, they may not always be best placed to determine where charging infrastructure is most needed or where it can be delivered at lowest overall cost.

In our view, governments and charge point operators are generally better positioned to lead planning decisions about charging infrastructure locations.

This does not mean DNSPs have no role. DNSPs can make an important contribution by providing information about network capacity and identifying opportunities where EV charging infrastructure could be integrated efficiently and improve network utilisation.

Where DNSPs are involved in facilitating EV charging deployment, their role should focus on:

- publicly disclosing network capacity information needed to identify efficient charging locations[1];
- supporting transparent and efficient site identification, connection, and approval processes; and
- providing advice on network integration opportunities.

Where DNSPs undertake any pre-identification of charging sites, the process should be transparent and informed by input from governments and charge point operators.

We welcome the opportunity to meet with the AER project team and other stakeholders to discuss these issues in more depth. Please contact Jan Kucic-Riker regarding any further inquiries.

Yours sincerely

Jan Kucic-Riker
Senior Policy Officer, Energy and Water Justice

[redacted]

1 As proposed in the *Enhancing distribution network planning and reporting* rule change.