



APPLICATION FOR A RINGFENCING WAIVER

ELECTRIC VEHICLE
CHARGING
INFRASTRUCTURE
PROJECT

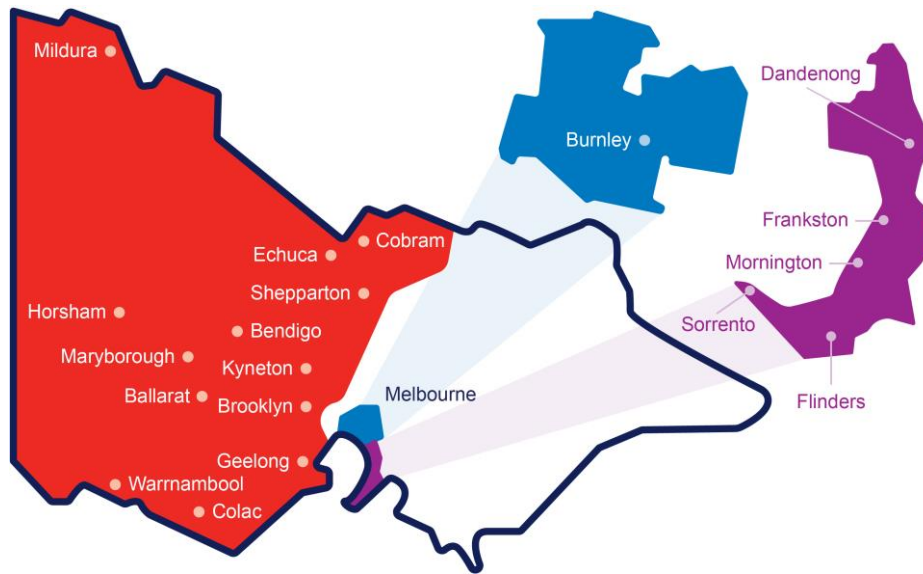
Table of Contents

1. SUMMARY	2
1.1 Introduction	2
1.2 Background of EVCI trial	3
2. DESCRIPTION OF WAIVER BEING SOUGHT	5
2.1 Obligations for which we seek a waiver and why a waiver is needed	5
2.2 Details of the service	6
2.3 Proposed waiver commencement and end dates, and relevant regulatory control periods	9
2.4 Reasons why the waiver should be granted	9
3. CONCLUSION	15

1. SUMMARY

1.1 Introduction

CitiPower Pty Ltd, Powercor Australia Limited, and United Energy Distribution Pty Limited (the networks) operate some of the most utilised networks in Australia, delivering electricity to over 1.9 million customers across Victoria. With networks that span urban centres and extensive rural regions, including some of the most remote parts of Victoria, we are essential to powering diverse communities and industries.



As key players in Victoria's energy infrastructure, we aim to make a meaningful contribution to the increasing government and community expectations to meet net zero carbon emissions. As part of this contribution, we are intending to deploy electric vehicle charging infrastructure (EVCI) throughout our distribution areas, on a trial basis. During this trial period, we will use our extensive distribution networks for efficient, cost-effective EV charging deployment, aligning with Victoria's Zero Emissions Vehicle (ZEV) Roadmap¹ and providing invaluable data and practical experience to inform larger roll outs in the future.

Further detail on the scope of the service we propose to provide is set out in section 2.2 but, in brief, the EVCI service will involve the networks installing and maintaining EVCI (i.e. the pole mounted 'boxes' that provide EV charging services). The networks will not operate the EVCI. Rather, the networks will provide an unregulated third party with access to the EVCI, with the third party acquiring retail services from a licensed retailer for this purpose.

We are seeking a waiver from two clauses of the AER's *Electricity Distribution – Ring-fencing Guideline* (Ringfencing Guideline) in relation to our EVCI trial, as follows:

- Clause 3.1 (legal separation), which prohibits a distribution network service provider (DNSP) from providing services that are not 'distribution services' or 'transmission services'. While we consider that the networks' provision of EVCI services may be 'distribution services', we are applying for a waiver from clause 3.1 to put any question of our compliance with clause 3.1 of the Ringfencing Guideline beyond doubt.
- Clause 4.2 (offices, staff, branding and promotions), which imposes requirements on DNSPs that are providing direct control services and have a related electricity service provider (RESP)

¹ [Victoria's Zero Emissions Vehicle Roadmap](#)

providing contestable electricity services. These include a requirement that DNSPs must use separate offices for their provision of direct control services and their RESP's provision of contestable electricity services, must not share staff across their provision of direct control services and their RESP's provision of contestable electricity services, and must use separate branding and advertising for their provision of each of direct control services and their RESP's provision of contestable electricity services.

Below, we set out further detail on the background to the EVCI trial. Section 2 of this application provides further detail on the scope of the EVCI service, the reasons we are seeking a waiver from clauses 3.1 and 4.2 of the Ringfencing Guideline, and our views on why it is appropriate for the AER to grant us a waiver from these clauses.

1.2 Background of EVCI trial

Victoria's ZEV Roadmap serves as an integral strategic framework designed to facilitate the transformation of the transport sector toward greater sustainability, while achieving the state's ambitious climate targets, including a commitment to net-zero emissions by 2050. Central to this roadmap is the vision that by 2035, all newly sold vehicles within Victoria will be zero-emissions. To achieve this, the roadmap outlines a series of key objectives aimed at accelerating the adoption of EVs across the state, with a focus on overcoming existing barriers such as the high upfront costs of EVs, concerns over range anxiety, and the current insufficiency of charging infrastructure to support widespread EV use.

A critical element of the roadmap is the recognition of the necessity for an extensive and reliable network of both public and private EVCI. This network is intended to be supported by a combination of government-led initiatives, such as financial rebates for EV purchases and targeted grants for infrastructure development. The success of this framework relies heavily on strong collaboration between government agencies, industry participants, and key stakeholders to drive innovation and attract investment in EV technology. In parallel, customer engagement and educational campaigns are essential to raise awareness about the economic and environmental benefits of EVs, alongside the various incentives available to potential buyers. The roadmap also incorporates a robust system for ongoing monitoring and evaluation, ensuring that measurable progress is made toward its targets. Ultimately, this positions electric vehicles as a foundational component of Victoria's sustainable transport strategy and a critical lever in reducing greenhouse gas emissions across the state.

Despite the Victorian Government's laudable ambitions, the rate of EV adoption has, to date, fallen short of expectations, largely due to the multiple challenges faced by prospective buyers. A prominent obstacle to widespread adoption remains the limited availability of affordable, reliable, and pervasive public EVCI. This scarcity of charging options has a significant and direct influence on customers' decisions to purchase EVs, as concerns about access to charging facilities continue to impede their willingness to transition to electric mobility.

While there are numerous successful examples globally² where electricity distributors have implemented EV charging facilities to enhance accessibility and convenience, similar initiatives in Victoria have been constrained by regulatory restrictions, including some of the requirements in the Ringfencing Guideline. These regulations currently inhibit electricity distributors from directly offering EV charging services, limiting their ability to contribute to the development of a comprehensive charging network.

This regulatory environment not only hampers the growth of Victoria's EV market but also stifles efforts to establish a reliable and expansive charging infrastructure, which is essential for building customer confidence and facilitating a smooth transition to sustainable transport. Overcoming these regulatory

² British Columbia Hydro (Canada), Enova Power (Canada) and ERTH Power (Canada)

challenges, therefore, is critical to fostering higher rates of EV adoption and advancing Victoria's broader climate objectives.

We are uniquely positioned with our extensive distribution networks to trial addressing these infrastructure gaps. Our proposal to trial deploying public EVCI aligns with Victoria's roadmap, enabling faster, more inclusive EV adoption across the state.

2. DESCRIPTION OF WAIVER BEING SOUGHT

2.1 Obligations for which we seek a waiver and why a waiver is needed

We are applying for a waiver from the requirements in clauses 3.1 and 4.2 of the Ringfencing Guideline.

Clause 3.1 – Legal separation

Clause 3.1(b) of the Ringfencing Guideline allows a DNSP to provide 'distribution services' and 'transmission services' but prohibits a DNSP from providing 'other services'. The National Electricity Rules (NER) define a distribution service as 'a service provided by means of, or in connection with, a distribution system'.

We consider that the networks' proposed EVCI services may be provided in connection with the networks' distribution systems and may, accordingly, come within the NER definition of 'distribution services'. However, we wish to put our compliance with the Ringfencing Guideline beyond doubt and are applying for a waiver from clause 3.1 for this purpose.

Clause 4.2 – Functional separation – offices, staff, branding and promotions

Clause 4.2 of the Ringfencing Guideline sets out certain functional separation requirements a DNSP must comply with if they have a RESP that is providing contestable electricity services, including:

- 4.2.1: A DNSP must use offices that are separate from the offices of a RESP that provides contestable services;
- 4.2.2: A DNSP must ensure that its staff involved in the provision or marketing of direct control services are not also involved in the provision or marketing of contestable services by a RESP; and
- 4.2.3: A DNSP must use separate branding, advertising and promotions from its RESPs' branding, advertising and promotion of its contestable electricity services.

As we understand that the EVCI services are unlikely to be classified by the AER as 'direct control services', we anticipate that clause 4.2 will apply to the networks' provision of the EVCI services. The networks propose to use staff from the regulated business to maintain EVCI, which will deliver economies and expedite the rollout of more EVCI (particularly to under-serviced areas), for the benefit of electricity customers.

We consider that complying with clause 4.2 will result in a significant cost and burden on the networks. This cost is unlikely proportionate to the benefit for electricity customers in a scenario where the services are only being provided on a trial basis. Any compliance would likely result in detriments for electricity customers, such as increased public EV charging costs and reduced availability, alongside any potential benefits. We accordingly request a waiver from clause 4.2 of the Ringfencing Guideline, to permit us to carry out the trial without having to incur undue further cost and resource.

If approved, this waiver from clauses 3.1 and 4.2 would allow us to trial implementing and maintaining public EV charging stations under the guidance of the Victorian Government, thereby facilitating the necessary infrastructure to support EV uptake, promote sustainable transport solutions, and align with Victoria's long-term emissions reduction goals.

2.2 Details of the service

We intend to trial implementing and maintaining public EV charging stations across our distribution networks. The operation of the charging infrastructure (i.e. retailing electricity to EVs by means of this infrastructure) will be outsourced to an unregulated entity. These stations will be designed with a capacity tailored to local demand, and each EV charging station will feature both single and dual port setup with type 5 metering, ensuring simplicity and accessibility for users. By leveraging our existing network infrastructure, we can minimise deployment costs and expedite the installation of EV charging points.



FIGURE 1 - EXAMPLE OF POLE-MOUNTED CHARGING INFRASTRUCTURE

We will undertake a market scan to discover available options to partner with domestic specialist suppliers to design and develop pole mounted EVCI. This approach will focus on partners with innovative products that have dynamic management capability, as well as local suppliers. The EVCI will be installed with customer safety at the forefront, ensuring they are mounted on poles with existing public lighting.

Installation partners will be engaged through a robust, transparent competitive tender process to ensure accountability for costs. If a larger rollout is determined at any stage, the networks will undertake a more detailed and substantial tender process.

The networks will execute an expression of interest (EOI) for charge point operators (CPOs) to gauge market interest and capability to manage DNSP EVCI. This process will improve market competition and is the most efficient way to ensure a cost effective and reliable CPO is appointed.

The charging stations will be strategically located based on our analysis of current EV ownership data and customer demand in conjunction with the Victorian Government, ensuring coverage across both metropolitan and regional areas. This data-driven approach will allow us to identify the most suitable locations for maximum impact, focusing on areas where EV uptake is higher, or where infrastructure gaps currently exist.

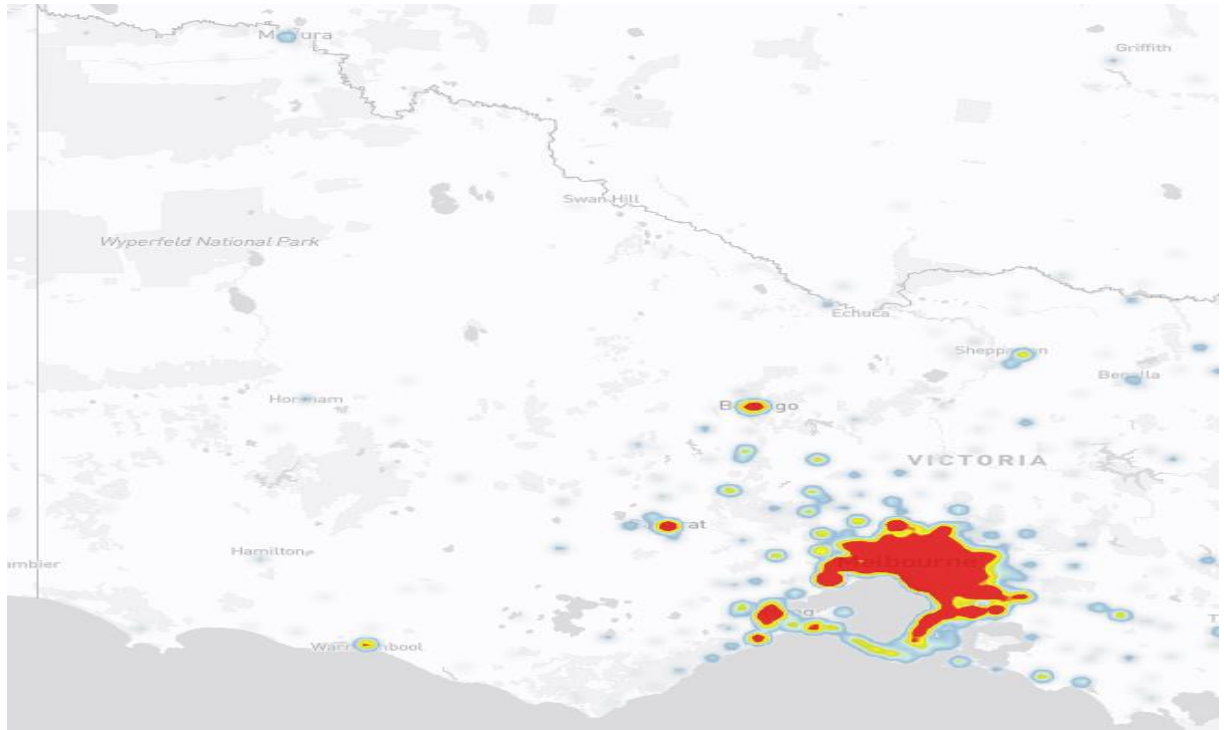


FIGURE 2 - EV UPTAKE (REGISTERED VEHICLES) HEATMAP BY POSTCODE³

The EVCI trial will be deployed in stages, starting with high-demand areas to ensure that early installations occur in areas with large numbers of EVs.

Phase one of the rollout will target 100 locations, with the initial 80 sites listed in Figure 3. As well as being high-demand areas, these locations take into consideration the availability of off-street parking and balanced coverage across both metropolitan and regional areas.

The process for agreeing on further locations will involve consultation with the Victorian Government and local councils, considering various factors such as:

- local EV ownership growth trends
- proximity to major roadways and public facilities
- regional and suburban coverage gaps.

This collaborative approach will ensure that the charging infrastructure is not only well-distributed but also supports broader state and national efforts toward increased EV adoption. By implementing a flexible and data-driven plan, we will ensure an efficient deployment of charging infrastructure, addressing both current and future demands for EV charging infrastructure across Victoria.

³ Based on data from [Department of Transport postcodes](#)

Location	Number of registered EVs ⁴	Number of proposed EVCI
Port Melbourne	816	10
Richmond	681	8
South Melbourne	606	8
Brighton	482	5
South Yarra	265	4
Brunswick	231	4
St Kilda	218	4
Windsor	190	3
East Melbourne	147	3
Albert Park	143	3
Geelong	1,126	6
Mt Eliza/ Mornington	495	4
Ballarat	455	4
Bendigo	433	4
Torquay	262	2
Ocean Grove	242	2
Portsea/Sorrento	215	2
Shepparton	191	2
Red Hill/ Mt Martha	168	2
Based on consultation		20
Total	7,366	100

FIGURE 3 - 80 OF THE FIRST 100 LOCATIONS

⁴ Based on data from [Department of Transport postcodes](#)

2.3 Proposed waiver commencement and end dates, and relevant regulatory control periods

We propose the waiver to commence upon approval by the AER and continue through to 30 June 2031 in line with the trial end date. This aligns with key stages of the Victoria ZEV Roadmap that estimates 50 per cent of light vehicle sales will be ZEVs.

The waiver would apply to the current regulatory control period commencing on the grant of the waiver in 2024 and extend through until the end of the next regulatory period in mid-2031.

2.4 Reasons why the waiver should be granted

2.4.1 The trial will result in significant Victorian electricity consumer and public benefits, and will further the National Electricity Objective

We consider that the networks' roll out of the EVCI trial will result in major electricity customer and public benefits, and will further the National Electricity Objective, particularly when compared to the costs and challenges involved to other providers of undertaking this roll out. Our provision of EVCI services will be 'electricity services' for the purposes of section 7 of the NEL, and the long-term interests of Victorian electricity customers will be promoted as:

- the networks can use their scale to create efficiencies in their delivery of EVCI services, which will result in lower prices for Victorian electricity customers obtaining EV charging services;
- the networks have a wide base of dedicated and experienced staff that can install and maintain the EVCI to ensure Victorian electricity customers receive reliable and high quality supply of electricity when they are obtaining EV charging services; and
- the networks do not face the same challenges in installing and maintaining EVCI as other potential suppliers, which will allow faster deployment and expedited uptake of EVs by Victorian electricity customers. This will assist Victoria to achieve its net zero target, without needing to impose unnecessarily high costs on Victorian electricity customers to achieve this goal.

Victoria's shift toward electric mobility, as outlined in the ZEV Roadmap, requires the rapid expansion of accessible and reliable charging infrastructure at an affordable cost. Given our existing infrastructure and experience, we are better placed than others to deliver the rollout of EVCI services.

In our experience, the challenges of establishing a public charging network are multi-faceted, especially in areas that commercial operators may not have the capability or incentive to serve. Several factors highlight the need for the networks to be the ones delivering the EVCI services:

- **Limited access to EV charging services:** Many communities within our distribution areas, especially in regional and suburban locations, have limited options for public EV charging. This lack of infrastructure significantly affects EV adoption rates, as access to reliable charging is a critical component in customers' decisions to purchase electric vehicles.
- **Private sector limitations:** While the private sector has taken steps toward installing charging stations, it faces significant challenges, particularly in regional and less-densely populated areas. The financial viability of such investments is often constrained by low demand and geographical remoteness, discouraging widespread deployment of charging infrastructure.
- **Infrastructure and resource efficiency:** We can utilise our existing assets for a quicker, more cost-effective deployment of EVCI, ultimately lowering installation costs and accelerating network expansion.
- **Support for public services and essential facilities:** Public institutions, such as schools, hospitals, and government buildings, often have access to solar photovoltaic (PV) or other

renewable technologies⁵, as part of the Victorian Renewable Energy Target (VRET)⁶. However, these are primarily focused on serving their immediate energy needs and are not designed to accommodate broader community use. By expanding our role, we can ensure that EVCI is integrated more holistically, serving both the immediate and surrounding communities.

- **Challenges of market competition:** In many of the areas we serve, particularly in regional locations, competition in the provision of charging infrastructure is limited. There is little evidence that a waiver allowing us to install and maintain EV chargers would adversely affect market competition, as the current market is underdeveloped and lacks significant private investment⁷.
- **Dynamic integration of solar and EVs:** EVs can improve grid resilience and reduce network constraints through directing the excess solar energy to charge EVs during peak solar production times. This method not only prevents energy waste but also reduces strain on the grid and can save costs by using solar power that would otherwise go unused or need to be curtailed.

For the reasons set out above, we consider that the networks are best placed to deliver the rollout of EVCI in a manner that achieves the National Electricity Objective. However, as discussed in section 2.1, clauses 3.1 and 4.2 of the Ringfencing Guideline impede our ability to do so. We consider it is justifiable for the AER to grant us a waiver from these requirements, to enable us to deliver the EVCI services and help Victoria move closer towards its net zero emissions goal.

2.4.2 Potential costs if the waiver application is not granted

We consider that the costs of the networks complying with the Ringfencing Guideline far outweigh any benefits electricity customers may receive from their compliance. Indeed, we consider that the networks' compliance with the Ringfencing Guideline will likely result in detriments to electricity customers, rather than benefit.

If the waiver is not granted, it may not be viable for the networks to proceed with the EVCI rollout, which would significantly impede the deployment of public EV charging infrastructure across Victoria. The delay would impact the availability of charging stations but also imposes a range of additional costs on stakeholders, including customers, third-party operators, and local communities.

The first, and most immediate impact of infrastructure delays, will be the burden on customers. As the uptake of EVs continues to increase in Victoria, with a substantial increase in sales driven by government incentives and changing customer preferences, the lack of sufficient charging infrastructure could deter electricity customers from purchasing EVs, and would otherwise affect the availability and price of electricity for charging their vehicles. The Australian Electric Vehicle Market Study⁸ indicates that range anxiety—fear of running out of battery without access to charging—remains a barrier for customers. If adequate charging facilities are not available, many electricity customers who may otherwise purchase an EV may reconsider their decision, resulting in slower adoption rates. This could ultimately obstruct the State's goals to reduce greenhouse gas emissions and improve air quality.

In addition, third-party operators aiming to establish EV charging networks face significant barriers, particularly due to regulatory delays and the complexity of obtaining necessary approvals. The lack of a streamlined process for deploying EV charging stations often leads to prolonged approval times and higher operational costs, as operators must navigate complex regulatory frameworks that can delay the rollout of infrastructure. These challenges are especially prominent in regional areas, where market demand may not yet justify private investment, but the need for infrastructure is critical to

⁵ [Renewable Energy To Power Our Schools And Hospitals](#), [Renewable energy powers Victoria's schools and hospitals](#)

⁶ [VRET](#)

⁷ As researched in our submission [National Electric Vehicle Strategy](#) 2022

⁸ [Australian EV Market Study Report](#)

support the transition to EVs. Moreover, the high upfront costs associated with building and maintaining charging networks further discourage private sector involvement, ultimately slowing the development of a competitive market for EV services.

Networks, however, are uniquely positioned to address these barriers by leveraging our existing infrastructure and expertise. We can streamline the regulatory approval process due to our familiarity with the existing regulatory frameworks and our established relationship with governing bodies, significantly reducing the time it takes to deploy charging infrastructure. By using our extensive network assets, such as powerlines, poles, and substations, we can lower the capital investment required for EV charging stations, making the deployment process more efficient and cost-effective, benefiting electricity customers that own EVs or would benefit from the purchase of EVs. Additionally, our involvement in the EV charging market would not only facilitate faster deployment but also encourage third-party operators to enter a more developed and less risky market, where they can focus on innovative services and customer-facing solutions, rather than being burdened with the complexities of infrastructure deployment. In this way, networks can remove the barriers of regulatory delays, high upfront costs, and infrastructure gaps, fostering a more competitive and accessible EV charging network for customers.

Further, the economic implications extend to local businesses that would benefit from attracting EV drivers. Many retailers, restaurants, and service providers rely on the influx of customers who seek convenient charging options while engaging in daily activities. Delays in establishing a robust charging network could prevent these businesses from capturing a growing demographic of environmentally conscious customers, leading to missed revenue opportunities. A study from the Victorian Government's Department of Transport⁹ highlights that a well-developed EVCI can stimulate local economies by attracting more visitors and increasing spending.

The environmental costs of delaying EV infrastructure deployment in Victoria cannot be overlooked. As charging options remain limited, customers may continue to rely on fossil-fuel-powered vehicles, thereby exacerbating air pollution and greenhouse gas emissions. The Victorian Government's Climate Change Strategy aims to achieve net-zero emissions by 2050, but failure to facilitate adequate EV infrastructure could hinder progress toward this goal. Moreover, the continued reliance on traditional vehicles may undermine public health efforts aimed at improving air quality in urban areas.

The long-term implications of not granting the waiver could extend to the investment landscape for renewable energy and technological innovations in Victoria¹⁰. A lack of support for necessary infrastructure could deter investment from key stakeholders in the EV sector, including private investors and technology developers. This hesitation could stifle advancements in charging technology, energy management systems, and sustainable transport solutions that are critical to a thriving green economy in Australia.

⁹ As referenced from the [Victoria's Zero Emissions Vehicle Roadmap](#)

¹⁰ This is highlighted in both the [VRET](#) and [National Electric Vehicle Strategy](#)

The below table highlights the cost implications and lost opportunities if the waiver is not granted:

OUTCOME	WITH WAIVER	WITHOUT WAIVER
Customer EV adoption	Improved access, supporting uptake	Limited charging, slower adoption rates
Economic growth	Economic boost for regional areas	Missed revenue for local businesses
Environmental impact	Faster emissions reduction	Delays in reaching climate goals
Operational costs	Reduced via existing resources	Increased as private sector lags deployment

Delays in deploying public EVCI without the waiver would not only burden customers and third-party operators but also limit economic opportunities and hinder environmental progress. To support a robust EV ecosystem and facilitate the transition to sustainable transportation, it is crucial that regulatory frameworks enable the timely development of charging infrastructure, in alignment with Victoria's climate and economic goals and for the benefit of electricity customers, in particular those who acquire electricity for EVs.

In terms of the requirements of clause 4.2, we consider that there are minimal benefits that would result from staff, office and branding/advertising separation in respect of the networks' EVCI rollout, particularly during the trial period and given the fact that the networks will not be dealing directly with electricity customers. The networks will face substantial cost in complying with these requirements, and there will also be considerable cost to electricity customers as the efficiency gains from using regulated staff will be lost. The networks' price of providing the EVCI service will increase, which will reduce the number of EV chargers that can be rolled out and impact the affordability of EV charging services for customers.

2.4.3 Additional measures in support of the waiver

We consider that there is no potential for cross-subsidisation or discrimination if the waiver is granted. We are committed to implementing rigorous internal monitoring and reporting mechanisms to ensure that the networks' engagement in EVCI does not result in additional costs for our customers. To safeguard market integrity, we will ensure there is no cross-subsidisation between our regulated distribution services and EVCI services. This will be carefully managed and transparently monitored to uphold separation between funding sources and operational costs. It will be subject to annual external audit through the AER regulatory information order process.

To foster a competitive market and support retail competition, we are dedicated to ensuring that no competitive advantages arise from our role in EVCI deployment. Our waiver application pertains strictly to the installation and maintenance of pole-mounted, low-capacity EV chargers to address infrastructure needs in high-demand locations. We aim to complement and accelerate market growth, and our involvement will be limited to filling critical gaps where charging options are currently insufficient, without impeding private sector participants.

To be clear, deployment by us will not prevent other CPOs from deploying infrastructure, accessing our assets, or developing innovative commercial energy retail models.

The model of us owning and maintaining the charging infrastructure, whilst outsourcing the operation aspects to an unregulated business aligns with the AER's ringfencing guidelines by preventing cross-subsidisation and ensuring that the operation of EV charging services remains competitive. We note

that, in respect of the outsourcing of the operation aspects of the service, we will remain subject to clause 4.1 of the Ringfencing Guideline, which prohibits discrimination in favour of our RESPs.

The trial's limited scope ensures that customers will not be adversely affected by the absence of retail contestability for the charging infrastructure. The user-pays model, with transparent pricing at a competitive rate, ensures fair access to charging services. By leveraging our existing assets and economies of scale, the trial provides cost efficiencies that are unlikely to be replicated by other operators, thereby delivering value to customers while maintaining equitable access to essential infrastructure.

We will share insights, data, and learnings from the deployment of these chargers with all industry participants, promoting best practices, optimising infrastructure development, and contributing to an informed and competitive EV charging market for the benefit of electricity customers.

The electrification of transport presents a significant opportunity to address one of the largest sources of emissions as the energy sector transitions away from coal. Once coal-fired generation is fully retired, transport is poised to become one of the largest, if not the largest, contributors to carbon emissions unless decisive action is taken to accelerate the adoption of EVs. Additionally, fuel costs currently represent a substantial portion of household and business expenditures on energy. By switching to EVs, customers stand to benefit from reduced operating costs due to the relative affordability of electricity compared to fossil fuels. This dual advantage—lower emissions and cost savings—demonstrates the potential for electrified transport to deliver meaningful environmental and economic benefits. Supporting EV adoption through the deployment of accessible and reliable charging infrastructure will not only contribute to achieving emission reduction targets but also provide customers with a tangible reduction in their overall energy expenses, making it a win for both the planet and customers.

The Korean Approach¹¹ highlights the importance of aligning infrastructure deployment with actual demand to avoid under-utilised assets and market inefficiencies. By adopting a measured and collaborative trial approach, we aim to deliver a practical model that prioritises customer benefits, supports broader EV uptake, and avoids the pitfalls of over-investment observed in Korea. Rather than the widespread urban saturation, we would prioritise the strategic placement of chargers based on demand data, as well as complimenting rather than saturating the market and competing with private operators.

These additional measures aim to support a collaborative and transparent EV charging ecosystem, balancing our infrastructure contributions with the continued growth of a healthy, competitive market.

¹¹ [A Grid-Friendly Electric Vehicle Infrastructure: The Korean Approach | IEEE Journals & Magazine](#)

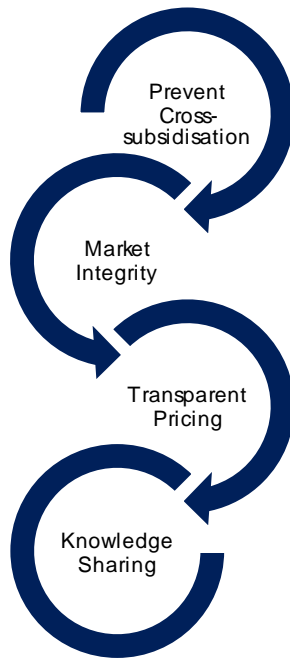


FIGURE 4 - OUR COMPLIANCE AND TRANSPARENCY MEASURES

3. CONCLUSION

Our EVCI trial is a critical step toward achieving Victoria's EVCI goals and cannot be undertaken without the AER granting us a waiver from clauses 3.1 and 4.2 of the Ringfencing Guideline. We consider that it is reasonable for the AER to grant us this waiver, having regard to the matters specified in clause 5.3.2(a) of the Ringfencing Guideline, being:

- the National Electricity Objective;
- the potential for cross-subsidisation and discrimination if the waiver is granted or refused;
- the benefit, or likely benefit, to electricity customers of the DNSP complying with the obligation (including any benefit, or likely benefit, from the increased competition) would be outweighed by the cost to the DNSP of complying with the obligation.

By enabling us to harness our existing networks and operational scales, this waiver would allow for an efficient and cost-effective deployment of EV chargers across both urban and regional areas, delivering lower prices of EV charging services to Victorian electricity customers, aiming to fulfill limb (a) of the National Electricity Objective. This approach will bridge essential infrastructure gaps in underserved communities, accelerating the availability of EV charging options for electricity customers where market presence remains limited and private investment insufficient.

This targeted deployment of pole-mounted, low-capacity chargers will expand access to EVCI for Victorian electricity customers without affecting competitive dynamics, directly supporting the objectives of Victoria's ZEV roadmap. Our initiative aligns with the state's climate targets by making EV charging accessible, reliable, and affordable, fostering faster adoption of electric vehicles across Victoria. This will ensure that Victoria can achieve its climate targets relating to EV uptake at the lowest possible cost to electricity customers, consistent with limbs (a) and (c) of the National Electricity Objective.

Our strong commitment to transparency and regulatory compliance ensures that EVCI deployment is managed independently from our core distribution services, which, along with clause 4.1 of the Ringfencing Guideline, will mean there is no potential for cross-subsidisation or discrimination if the waiver is granted. With the AER's support, this project could demonstrate how distribution networks can responsibly address emerging infrastructure needs. By collaborating closely with regulatory and industry stakeholders, we will share any valuable insights from this initiative, which can include such learnings as efficient placing of chargers, urban versus regional challenges, the impacts on EV uptake from the trial, usage patterns, best practices for leveraging DNSP assets, market collaboration emissions reduction data and any learnings about preparing charging networks for advancements in technology and next-generation EVs. These insights will foster a sustainable and competitive EV charging ecosystem that aligns with Victoria's environmental and economic objectives, and delivers significant benefits for Victorian electricity customers.

The benefits to electricity customers of the networks complying with the Ringfencing Guideline are likely minimal, and do not outweigh the costs that the networks will incur. Further, if the networks are required to comply with the Ringfencing Guideline, electricity customers will likely be worse off, including by paying higher prices for EV charging services given the loss of efficiencies that could be achieved if the networks could utilise their regulated business and staff to supply these services.



For further information visit:

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