



Submission on the proposed National Electricity Amendment (Facilitating electric vehicle charging infrastructure under Commonwealth grants) Rule 2026

Prepared by

COTA Australia

25 June 2026

About COTA Australia

COTA Australia is the leading national peak body supporting and advocating for older Australians since 1958. COTA (Council on the Ageing) Australia promotes the rights, interests and good futures of older Australians over 50. Our broad agenda is focused on challenging ageism, respecting diversity, and empowering people to live their best life as we age.

Authorised by:

Patricia Sparrow

Chief Executive Officer

psparrow@cota.org.au

COTA Australia

Suite 13.03

470 Collins Street

Melbourne VIC 3000

Phone: 1300 COTA AU (1300 2682 28)

www.cota.org.au

1. Overview

COTA Australia welcomes the opportunity to comment on the Australian Energy Market Commission's (AEMC) consultation paper on facilitating electric vehicle charging infrastructure (EVCI) under Commonwealth grants (ERC0436).

COTA Australia is the national peak body representing the interests and rights of older Australians.

Our interest in this rule change is grounded in the need to ensure the energy transition is fair, inclusive and affordable for all consumers, including older people on low and fixed incomes, renters, apartment dwellers, people in regional and rural communities, and people who are unlikely to be early beneficiaries of electric vehicle (EV) uptake.

COTA Australia supports the national transition to lower-emissions transport and recognises that a wider network of accessible public EVCI will be important over time. We also support the development of Commonwealth grants to facilitate EVCI, especially where public investment is needed to address genuine gaps in coverage or access.

However, the proposed rule change, as framed, risks shifting a material share of costs onto electricity consumers generally, while the direct and immediate benefits will accrue to a much smaller group of consumers, particularly those who own, or are in a position to purchase, electric vehicles.

Commonwealth grants should be used to offset the costs of EVCI, not to enable those same costs to be recovered again from residential electricity consumers through regulated network charges. To permit both would be double recovery, and the rule change should explicitly prevent it.

The rule change should not proceed unless the AEMC is satisfied that it will deliver:

- clear, broadly shared and equitable benefits to consumers; and
- that appropriate safeguards are in place to protect households who are least able to pay and least likely to benefit.

2. Recommendations

COTA Australia supports the development of Commonwealth grants to facilitate EVCI and recommends that the AEMC:

- ensures that no part of any grant provided for that purpose is recovered via charges applied to all residential electricity consumers;
- does not support any model that requires electricity consumers to cross-subsidise EV charging infrastructure where the benefits are not broadly shared; and
- requires the primary funding responsibility to remain with government grants, private investors and EV charging users, rather than residential electricity consumers.

However, if the rule change proceeds, COTA Australia also recommends that the AEMC also ensures:

- any public or regulated contribution to EVCI is strictly limited, transparent, time-bound and targeted to genuine market failure;
- clear consumer benefit tests are applied before any costs are recovered through regulated network charges; and
- the model includes robust reporting on who benefits, who pays, geographic distribution, affordability impacts and measures to prevent inequitable cost shifting.

3. Detailed comments

3.1 Commonwealth grants should offset costs, not enable double recovery

COTA Australia supports the development of Commonwealth grants to facilitate the rollout of EVCI. Public funding is justified where it addresses genuine gaps in infrastructure, supports regional or underserved communities, or assists with the transition to lower-emissions transport.

Where Commonwealth grants are provided, those grants should be used to offset infrastructure costs. Network providers and other relevant parties should not be able to recover the same costs twice: once through Commonwealth grant funding and again through charges applied to residential electricity consumers.

This is an important consumer protection issue. If grant funding is intended to reduce the cost of developing EVCI, consumers should receive the benefit of that reduction. The rule change should not allow public funding to improve the commercial position of network providers while leaving electricity consumers to meet costs that have already been offset by government grants.

COTA Australia recommends that any Commonwealth grant-funded component of EVCI must be excluded from regulated cost recovery. Any residual costs proposed for recovery from consumers should be subject to a separate, transparent and rigorous consumer benefit test.

3.2 The energy transition must not deepen existing inequities

COTA Australia supports action to reduce emissions and enable the transition to cleaner transport. However, the benefits and costs of that transition are not currently distributed evenly.

Many older Australians face significant cost-of-living pressures. Energy bills are already a major concern for people on pensions, low and fixed retirement incomes, or who have limited savings. For these consumers, even relatively small increases in electricity costs can have a real impact, particularly when combined with rising housing, insurance, health, food and transport costs.

COTA Australia's own *State of the Older Nation 2025* report (SOTON25) provides important context.¹ Nearly one in four older Australians (25%) are living in poverty, and 48% believe conditions are getting worse for older people, primarily due to cost-of-living pressures. More than a third (36%) have less than \$100,000 in combined savings and investments.

These figures reflect the reality that a substantial proportion of those who would bear the cost of any bill increase resulting from this rule change are already under significant financial pressure. SOTON25 found the proportion of older Australians rating their ability to afford and keep up with bills at 7 or above out of 10 - a fell from 76% in 2023 to 72% in 2025. In addition, the proportion rating their ability to keep their home warm in winter and cool in summer fell from 79% to 75% over the same period.

These figures also show that older people are not a homogenous group. Some older Australians will be early adopters of electric vehicles and will benefit from improved public charging access. Others will not be in a position to purchase an EV, may no longer drive, may live in rental housing or retirement villages, may have limited access to off-street parking, or may live in areas where public transport and charging infrastructure remain inadequate.

For those consumers, a rule change that increases electricity bills to support EVCI means they are paying for a benefit they cannot access. This risks worsening their ability to afford their bills and to keep their home at a comfortable temperature. Billing for the same cost twice would undermine trust in both the energy market and the broader energy transition.

¹ COTA Australia, *State of the Older Nation 2025* (SEC Newgate Research, 2026), pp. 10–11, 21.

3.3 The proposed approach risks unfair cross-subsidisation

The central concern for COTA Australia is whether it is fair for electricity consumers generally to contribute to infrastructure that primarily benefits EV owners and EV charging businesses.

Electric vehicle ownership is currently out of reach for most older and lower-income Australians. Buying an EV requires a significant upfront investment, secure housing with off-street parking, and access to home charging. These are things many older Australians may not have. The Electric Vehicle Council's 2025 EV Ownership Survey found that 93% of EV owners in Australia own their own home, and the average purchase price paid was \$63,000.² These are not the financial circumstances of most older Australians on low or fixed incomes.

Those who can afford an EV gain real financial advantages. They spend far less per kilometre by replacing petrol with electricity. If they own their home and have rooftop solar, they can charge their vehicle at little or no cost. They can also access government incentives such as stamp duty concessions and fringe benefits tax exemptions. These benefits are largely out of reach for people on low or fixed incomes.

Meanwhile, lower-income Australians continue to rely on older petrol vehicles. They bear the full cost of rising fuel prices with no way to opt out.

By contrast, many low and fixed income households remain locked out of these benefits. They may continue to rely on older petrol vehicles, public transport, taxis, community transport, or family support. They may also face significant energy hardship challenges and have limited capacity to absorb additional costs passed through network charges.

SOTON25 data reinforces this concern. Among older Australians who rent, 54% are living in poverty and only 44% consider their housing affordable.³ Older renters are among those least likely to benefit from public EV charging. Without off-street parking or the ability to install a home charger, they are unlikely to own an EV in the near term. Under the proposed rule change they would bear their share of any cost increase passed through electricity bills.

Socialising EVCI costs through electricity bills could deepen existing inequities by requiring consumers who cannot afford an EV to subsidise those who can.

This is not to suggest that EVCI has no broader public value. Emissions reduction, improved transport choice, and future network efficiency may deliver community-wide benefits.

Where the government agrees those benefits justify public investment, it has provided a \$40 million grant program to fund them. Our concern is straightforward. If grant funding is

² Electric Vehicle Council and Institute of Transport and Logistics Studies, *EV Ownership Survey*, 2nd Edition (Electric Vehicle Council, 2025), p. 5.

³ COTA Australia, *State of the Older Nation 2025* (SEC Newgate Research, 2026), pp. 11, 21.

provided to cover the cost of building this infrastructure, those same costs should not then also be recovered from electricity consumers through network charges. To allow both would be double recovery. Electricity consumers would effectively be paying twice for the same infrastructure, once through their taxes and again through their power bills.

3.4 Alignment with the National Electricity Objective

The National Electricity Objective (NEO) now includes consideration of emissions reduction targets alongside the long-term interests of consumers with respect to price, quality, safety, reliability and security of supply.

While the proposed rule change may support emissions-related objectives, future network planning and system efficiency the long-term interests of consumers must include affordability, fairness and distributional impacts. A rule change may be efficient in an aggregate sense while still producing unfair outcomes for particular consumer groups.

It is critical that the AEMC explicitly considers whether the proposed model promotes the long-term interests of all consumers, not only those who are able to participate in or benefit from EV ownership. SOTON25 found that only 28% of older Australians meet the threshold for financial security. That means nearly three in four older Australians are not in a financially secure position. This is not just about those living in poverty. It includes the large middle group of older Australians who are getting by but have little financial buffer. They are managing their bills, but only just. An unexpected increase in electricity costs is not a minor inconvenience for this group. It is a real pressure on a budget that is already stretched. Wealth among older Australians is concentrated among men, outright homeowners and people in metropolitan areas⁴, groups more likely to be in a position to purchase an EV. The long-term interests of all consumers cannot be assessed without accounting for this divide. In particular, the AEMC should consider whether:

- any Commonwealth grant-funded component of EVCI is clearly excluded from regulated cost recovery;
- the costs imposed on non-EV-owning consumers are proportionate to the benefits they receive;
- the benefits are sufficiently certain, or speculative and long-term;
- lower-income and fixed-income households are protected from additional bill impacts;
- alternative funding models would achieve the same policy objective more fairly; and
- the proposed rule change could reduce trust in the fairness of the energy transition.

⁴ COTA Australia, *State of the Older Nation 2025* (SEC Newgate Research, 2026), p. 11.

3.5 Public benefits should be publicly funded

In circumstances where government intervention is justified to address gaps in EVCI, particularly in regional, rural or lower-income areas where the private market may not deliver adequate coverage, the costs should be met primarily through transparent public funding.

Government grant programs are a more appropriate mechanism for delivering broad public policy objectives: they are more visible, more accountable and more capable of being designed with equity in mind than these additional costs being embedded in electricity bills.

By contrast, recovering costs through electricity bills can be regressive. Electricity is an essential service. Consumers cannot readily opt out of paying for network costs, and low-income households spend a higher proportion of their income on essential utilities.

3.6 Any intervention should be targeted to genuine market failure

If the AEMC considers that some form of rule change is justified, COTA Australia recommends that it be tightly limited to circumstances where there is a clearly demonstrated market failure. This should include robust evidence that:

- private investment is unlikely to deliver the necessary infrastructure within a reasonable timeframe;
- the infrastructure is needed in locations that deliver clear public benefit, such as regional, rural, lower-income or high-need areas;
- the proposed model will not crowd out competitive providers;
- the costs passed through to consumers are strictly limited;
- Commonwealth grant funding is used to reduce, not duplicate, any recoverable costs;
- benefits are not captured primarily by private charging operators or higher-income EV owners; and
- there is a clear end point for any regulated support.

COTA Australia would not support an open-ended model that normalises the recovery of EVCI costs from all electricity consumers.

Some may suggest means-tested concessions or hardship protections as a way of managing the cost impact on vulnerable consumers. Our experience tells us this is not the answer. Older Australians regularly tell us that means-tested concessions are confusing, hard to access and often never claimed by the people who need them most. Many older people are uncomfortable disclosing their financial situation to access a concession. Others simply do not know the concession exists. The result is that the most vulnerable consumers frequently miss out on the protections that are designed for them. We do not consider means-tested concessions an adequate substitute for getting the funding model right in the first place.

The better solution is to ensure that costs falling on electricity consumers are limited, justified and not duplicating funding already provided through government grants.

3.7 Consumer safeguards are essential

If the rule change proceeds, COTA Australia recommends that the AEMC require strong consumer safeguards, including:

A clear consumer benefit test

Any regulated contribution should be subject to a transparent test demonstrating that benefits to consumers as a whole outweigh the costs, and that benefits are not confined largely to EV owners or commercial charging operators.

A distributional impact assessment

The AEMC should require assessment of impacts on different consumer groups, including older people, low-income households, renters, apartment residents, regional consumers, people without cars, and households experiencing energy hardship.

SOTON25 illustrates why this matters in practice. Older women are significantly more likely than older men to be living in poverty (29% compared to 20%), to be renting, and to face barriers to accessing essential services.⁵ Among older renters, the poverty rate is 54%; among those living with disability, it is 40%. These groups would bear the costs of the proposed rule change without being positioned to share meaningfully in the benefits.

Limits on cost recovery

Any cost recovery through regulated charges should be capped, time-limited and independently reviewed. Costs should not continue once grant funding or trial objectives have ended. No Commonwealth grant-funded costs should be recoverable through charges applied to all residential electricity consumers.

Transparency on bill impacts

Consumers should be able to understand what they are paying for and why. Bill impacts should not be dismissed because they are delayed, small on average, or spread across the customer base.

Reporting on equity outcomes

Reporting should include where chargers are installed, who uses them, utilisation rates, pricing, accessibility, regional coverage, and whether infrastructure is reaching underserved communities.

⁵ COTA Australia, *State of the Older Nation 2025* (SEC Newgate Research, 2026), pp. 11–13.

Protections against private benefit

The model should ensure that regulated or publicly supported infrastructure does not create windfall gains for private operators or advantage particular market participants.

3.8 Older Australians must be included in EVCI planning

EVCI must ensure practical accessibility for older Australians. For EV charging to be genuinely accessible, infrastructure must be safe, well-lit, easy to use, physically accessible and supported by non-digital payment and assistance options where possible.

Many older consumers are digitally confident, but others experience digital exclusion or may be uncomfortable relying solely on apps, QR codes or online accounts to access essential transport infrastructure.

The 2025 Australian Digital Inclusion Index found that two in three Australians aged 75 and over are digitally excluded. People in this age group have the largest digital ability gap of any group tracked, sitting 32 points below the national average. Those aged 65 to 74 are also among the most excluded, at 15 points below average⁶. Public EV charging infrastructure that relies solely on apps, QR codes or online accounts will lock out a significant share of older users from the outset.

Public charging infrastructure should be designed with universal access in mind, including clear signage, simple payment options, safe locations, adequate lighting, seating where appropriate, and consideration of people with disability or mobility limitations. These issues are distinct from the cost-recovery question, but they are central to whether EVCI will serve the whole community rather than only digitally confident, higher-income consumers.

4. Responses to consultation questions

The following provides COTA Australia's responses to the specific questions posed by the AEMC in the consultation paper.

Question 1: Problem statement

COTA Australia broadly agrees with the problem statement. There are genuine barriers to efficient deployment of kerbside and regional EVCI, including the 'chicken and egg' dynamic between EV uptake and charging availability, and structural market failures in regional and remote blackspot areas.

On the specific sub-questions:

⁶ Thomas, J et al., *Measuring Australia's Digital Divide: Australian Digital Inclusion Index 2025* (RMIT University, Swinburne University of Technology and ARC Centre of Excellence for Automated Decision-Making and Society, 2025).

- **Chicken and egg problem (AC kerbside):** Yes, COTA Australia accepts that a genuine chicken-and-egg problem exists for kerbside AC charging in metropolitan areas.
- **Market failure in regional and remote blackspots:** Yes, COTA Australia agrees that the market will not deliver charging infrastructure in genuinely uncommercial regional locations without government intervention.
- **DNBP processes as barriers:** COTA Australia accepts that lengthy connection processes, high connection costs, complex site identification processes and facility access fees are contributing to slow EVCI deployment. Streamlining these processes has consumer benefit to the extent it reduces the overall cost of infrastructure delivery.

Question 2: Emissions reduction benefits

COTA Australia does not have the technical expertise to assess the proponent's emissions reduction modelling in detail. However, we note that:

- Emissions reduction is a genuine and broadly shared public benefit that could justify some level of public contribution to EVCI.
- The claim that emissions reduction benefits represent a benefit to all consumers, not only EV users, has merit in principle. However, the distribution of those benefits over time matters. Older people and low-income households on fixed incomes may bear costs now while benefits accrue later or unevenly.
- COTA Australia would welcome independent verification of the modelling assumptions, including the number of EVs supported per charger and the projected emissions intensity of the electricity grid over the relevant period.

Question 3: Benefits beyond emissions reduction

COTA Australia notes that the proponent identifies potential broader benefits including market efficiency improvements, data transparency from site publication, reduced connection costs and learnings for future infrastructure rollout. These are plausible but speculative benefits. COTA Australia would urge the AEMC to require more rigorous evidence that these benefits will materialise and be distributed broadly, rather than accruing primarily to DNSPs and charge point operators.

Question 4: Contributions from all electricity consumers

This is the question of most direct relevance to COTA Australia's concerns. COTA Australia's position is that it is not appropriate for all electricity consumers to fund EVCI projects through regulated charges where:

- Commonwealth grant funding has already been provided to offset costs, and the same costs are then also being recovered from consumers through regulated network charges (that is, double recovery);

- the direct beneficiaries are primarily EV owners and commercial charge point operators rather than electricity consumers generally; and
- lower-income and fixed-income households who cannot afford EVs bear costs without receiving proportionate benefits.

If some consumer contribution is to be permitted, it should be strictly limited, clearly justified, subject to an independent consumer benefit test, and transparently reported. The Commonwealth grant component must not be double counted.

Question 5: Proposed DNSP cost recovery

COTA Australia has concerns about the proposed mechanisms for DNSP cost recovery, specifically:

- **Capex RAB adjustment:** COTA Australia accepts that some mechanism to allow DNSPs to recover efficient costs may be necessary if the program proceeds, but this should be net of grant funding and subject to rigorous assessment.
- **Opex RAB adjustment for first five years:** COTA Australia is cautious about opex being treated as a RAB adjustment. This is an unconventional approach that makes costs less transparent and may not adequately protect consumers.
- **Ongoing opex in subsequent regulatory periods:** COTA Australia is concerned that EVCI costs, once embedded in the regulatory framework as standard control services, may be difficult to wind back even if the original policy rationale no longer applies.

COTA Australia recommends the AEMC require clear sunset provisions and independent review of whether ongoing cost recovery remains justified.

Question 6: Timing of cost recovery

The proposed model defers cost recovery to the next regulatory control period. While this avoids immediate bill impacts, it does not change the fundamental concern about whether it is appropriate for all consumers to bear these costs at all.

Question 7: Other changes to the National Electricity Rules

COTA Australia has no objection on connection works not being classified as connection services provided it does not result in reduced transparency or accountability for costs recovered from consumers.

COTA Australia notes that the restricted access provisions exist for good regulatory reasons. Any departure from them should be carefully justified and time limited.

Question 8: Alternative solutions

COTA Australia encourages the AEMC to consider whether the program objectives could be achieved with a lower degree of cost socialisation across all electricity consumers. In particular, the AEMC could consider:

- whether Commonwealth grant funding alone, without any RAB addition, could be sufficient to achieve the program objectives, at least in the initial phase;
- whether a user-pays model for cost recovery, where charging costs are met by charge point operators and passed to EV users, could be designed to be sustainable without requiring cross-subsidisation from all electricity consumers; and
- whether a time-limited trial with a rigorous independent review before any RAB adjustment is permitted would better protect consumers.

Question 9: End of asset lives

COTA Australia considers that the treatment of EVCI assets at the end of their useful life should be determined transparently and in advance, with clarity about whether DNSPs can replace assets at consumer cost. COTA Australia would not support arrangements that result in indefinite rolling cost recovery from consumers for successive generations of EVCI assets without fresh consumer benefit tests.

Question 10: Broader role of DNSPs in EV charging

While broader questions about the role of DNSPs in the EVCI market are out of scope for this rule change, COTA Australia notes the following early views for the AEMC's consideration in future work:

- **DNSPs as provider of last resort for kerbside charging:** COTA Australia does not object in principle to DNSPs acting as a provider of last resort where charge point operators are unwilling or unable to deploy, provided costs are strictly controlled and not broadly socialised.
- **DNSPs as provider of EV charging in uncommercial regional blackspots:** COTA Australia supports targeted intervention in genuinely uncommercial regional locations. This is the clearest case for public subsidy, as the market failure is most evident and the access benefit for regional consumers is real.

5. Conclusion

COTA Australia supports the transition to lower-emissions transport and recognises the importance of expanding public EVCI. COTA Australia also supports the development of Commonwealth grants to facilitate that infrastructure where public investment is justified.

However, the energy transition must be fair, affordable and inclusive. Commonwealth grants should be used to offset infrastructure costs, not to enable double recovery. No part of any Commonwealth grant provided to facilitate EVCI should be recovered via charges applied to all residential electricity consumers.

The proposed rule change raises significant equity concerns if it results in electricity consumers generally contributing to infrastructure that many will not be able to access or benefit from in the foreseeable future.

COTA Australia urges the AEMC to place consumer fairness at the centre of its assessment. Any rule change should be limited to genuine market failure, funded primarily through transparent government and private investment, and subject to strong safeguards to prevent unfair cost shifting to households already under financial pressure.

COTA Australia would welcome the opportunity to provide further input as the AEMC considers these issues.