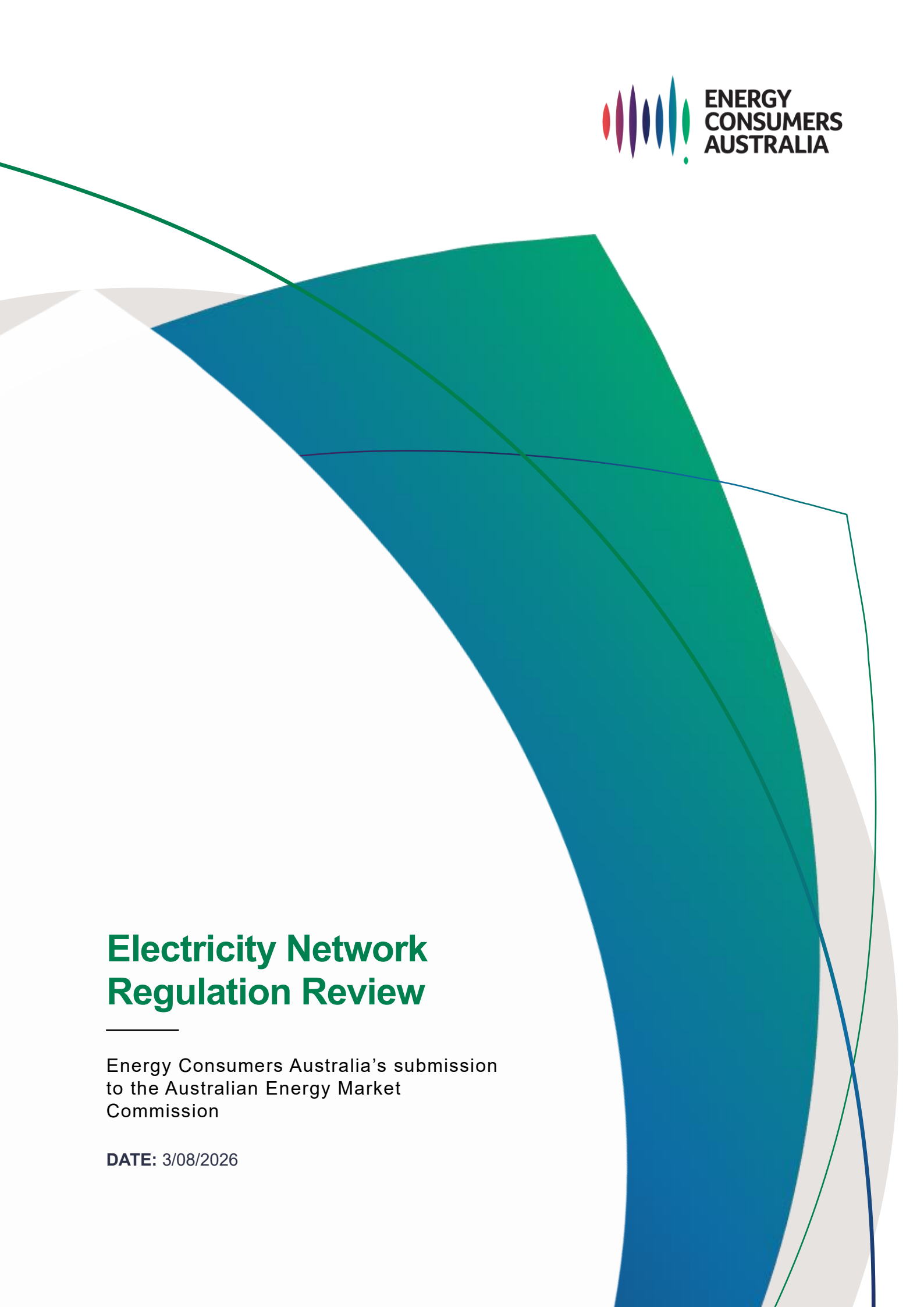


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Electricity Network Regulation Review

Energy Consumers Australia's submission
to the Australian Energy Market
Commission

DATE: 3/08/2026



Summary

Energy Consumers Australia (ECA) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) Electricity Network Regulation Review (Package 1). ECA is the national voice for household and small business energy consumers. We advocate for a fair, affordable, and reliable energy system – one that meets everyone's needs and leaves no one behind on the journey to net zero.

Package 1 provides an important opportunity to clarify the boundary between monopoly network services and contestable services as the energy system evolves. Our feedback is guided by what we consider best serves the long-term interests of consumers.

In our view, those interests are not served by unnecessarily rigid regulatory arrangements that may inhibit innovation, competition or efficient service delivery. At the same time, appropriate ring-fencing protections remain essential to prevent the misuse of monopoly power and support the development of competitive markets and lower cost service delivery. The key challenge for this review is to strike the right balance between enabling innovation and maintaining the safeguards necessary to protect consumers and promote system efficiency.

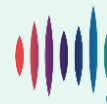
In summary, **we consider that consumers' long-term interests are promoted when: monopoly functions remain regulated; contestable services remain competitive; and NSP participation in contestable markets occurs only where there is a demonstrated consumer benefit, a clear market failure and a proportionate response, accompanied by conditions that ensure that third parties are not disadvantaged.**

Below we respond to the paper's consultation questions, but make the following key points:

- As an outcome of this review, the AEMC must clearly articulate which network services remain monopoly services or are now contestable.
- Where historically viewed monopoly network services are now viewed as contestable – the AEMC must clarify whether, and under what limited circumstances, networks can compete in those markets.
- If networks are to be allowed to compete in contestable markets, the AEMC must ensure ring-fencing protections remain fit for purpose to prevent the abuse of information asymmetry and monopoly power.

ECA also considers that emerging Distribution System Operator (DSO) functions provide a pathway towards a more efficient and consumer-focused electricity system, in which networks increasingly act as neutral market platforms that procure required services from competitive providers rather than delivering those services directly. The AEMC should formally define and integrate the DSO role within the rules and ensure its development reinforces competition, innovation and consumer outcomes.

Consistent with the principles outlined above, ECA does not support ENA's electric vehicle charging infrastructure (EVCI) proposal in its current form. The proposal does not adequately demonstrate the problem the rule change is intended to address, nor does it sufficiently establish where and why DNSP participation is required. It also lacks clear criteria, limitations and exit arrangements for network involvement in what should remain a contestable market. In short, the proposal creates a risk that investment decisions favour building more infrastructure, rather than the right infrastructure.



Please see our responses to each of the consultation questions below. For further information about our submission, please contact Julian Egan at julian.egan@energyconsumersaustralia.com.au.

Yours sincerely,

A handwritten signature in blue ink that reads "Brendan French".

Brendan French

CEO, Energy Consumers Australia



Questions

Question 2: What network services should be subject to economic regulation and are changes to the service classification framework required?

Anything that is a monopoly service should be subject to economic regulation. As the system evolves, a large proportion of network infrastructure and services will almost certainly remain monopoly services – most notably, physical poles and wires. However, while a monopoly network entity will still be required for network planning and maintenance, that entity does not necessarily need to be the sole provider or owner of the assets used to meet identified grid needs.

Enabling contestability where market alternatives exist can drive better outcomes for consumers. By allowing competitive market providers to compete to meet network needs, consumers benefit from lower overall costs, reduced risk of over-investment in physical capital, and faster innovation.

Importantly, advances in technology are creating substitutes for historical network services. For example, IEEFA notes that “[i]f DER are substituting for network upgrades or augmentation, it would mean there is at least partial contestability in distribution network services. The poles, wires and substations are still necessary in most cases. However, if there is that kind of substitution – for example, behind-the-meter batteries providing the same service as an upgraded transformer – is the entire distribution network still a pure monopoly? Maybe, in the sense the DNSP (a monopoly provider) is procuring those services, but maybe not, in that there are now multiple ways to provide a network service.”¹

The European Union offers one vision of the future. Its regulation starts from the principle that networks should be incentivised to use services from Distributed Energy Resources (DER) as a default. With some obvious exceptions, it effectively makes all network services contestable, requiring distribution networks to ‘procure flexibility services in accordance with transparent, non-discriminatory and market-based procedures’.²

In the UK, connection services are split into contestable and non-contestable work, following a 2015 Ofgem reform to licence conditions and its code of practice.³

As an outcome of this review, the AEMC must clearly articulate which network services remain monopoly services or are now contestable. We recommend this thinking is shared with stakeholders for review as part of the next round of consultation.

2.1. What, if any, changes do you think should be made to the service classification arrangements to ensure they remain fit for purpose into the future and sufficiently flexible to accommodate the changes underway?

The overall goals of the classification framework remain relevant. However, consumers have a long-term interest in ensuring that the classification system keeps pace with the changing energy system.

We recommend that the formal DSO function, emerging from the National CER Roadmap,⁴ is included as a fourth category in the service classification framework. This function would be defined strictly as a neutral market facilitator and enabler of markets. So rather than competing with market participants or

¹ IEEFA 2024, [Reforming the Economic Regulation Australian Electricity Distribution Networks](#), p. 6

² Ibid p. 40

³ Ofgem 2017 [Competition in electricity distribution connections](#) | Ofgem

⁴ DCCEW 2024, National Consumer Energy Roadmap, p. 43



self-supplying services through network-owned assets, the DSO's primary role is to provide a trusted, transparent platform that enables retailers, aggregators, and Virtual Power Plants (VPPs) to trade flexibility.

As a starting point, the DSO functions could include:

- real-time network operation, including dynamic operating envelopes
- network visibility and monitoring including publishing network constraints and data for secure network operation
- identifying network service requirements;
- dispatching flexibility services using transparent processes;
- verifying service delivery; and
- settling network service payments where applicable.

2.2. Do you think there are any circumstances in which it would be in the long-term interests of consumers for NSPs to provide regulated services in contestable markets?

As a general principle, the default position must be no. Doing so risks crowding out competitive investment, entrenching monopoly power and creating cross subsidies.

However, there could be some instances where networks can deliver services more effectively and efficiently than current arrangements. But there must be set conditions for when this can occur including:

- the outcomes would be **cheaper for consumers** over the long-term, accruing a net benefit, while representing a least cost option.
- there is an **independently verifiable market failure**. This may, for example, be the case where a non-profitable investment is needed or where there is no competitive supply.
 - where there is a potential future market an **exit strategy** should be put in place with a clear pathway back to competitive market provision once commercial delivery becomes viable. Where there is temporary intervention, it must not be classified as standard control services to ensure non-participating consumers do not underwrite the investment.

2.3. Is additional guidance required in the NER on how the boundaries between regulated and contestable (unregulated) services should be drawn? How should we accommodate the new DSO role for DNSPs?

Please see our response to 2.2 and our response to 2.1.



Questions 3. Are changes required to the ring-fencing arrangements?

3.1 How effective do you think the ring-fencing obligations have been to date, in terms of preventing the cross-subsidisation of contestable activities and discriminatory behaviour?

Ring-fencing obligations have delivered mixed results. For example, the community battery waiver failed to require DNSPs to correct information asymmetries that gave them an unfair advantage over non-network batteries. In ECA's 2023 submission we expressed the following view:

*'It is unclear which are the best places within the network – either transmission or distribution – for a storage device to be located. [...] At present, it appears that only NSPs have an understanding of which parts of their network are most suitable and would most benefit from a battery – though, this is an assumption that has not been proven. Presumably, a NSP would only nominate a given location for a battery because it offers an ability to maximise the services and revenue from the technology relative to its costs. But networks have not clearly shown why a particular location is more preferred than others. If a given part of a network offers unique opportunity to storage to provide network services, shouldn't all potential market players have such information so that they too might be able to develop storage projects? This information asymmetry hinders other market participants from competing fairly in the provision of storage services.'*⁵

Granting ring-fencing waivers while allowing DNSPs to withhold critical network constraint data leaves significant room for anti-competitive outcomes. Our Enhancing Distribution Network Planning and Reporting rule change⁶ attempts to address these asymmetries and increase public access to information. The rule change will also promote increased transparency intended to enable better network planning and identify where investment is most efficient. While not concluded, ECA's final submission⁷ highlights the need to ensure that data is captured in a way that is uniform and is accessible to both marketplace service providers and regulators.

3.2 How effective do you think ring-fencing waivers have been to date in promoting the long-term interests of consumers? What, if any, changes do you think should be made to ensure they remain fit for purpose into the future?

Consumers have a vested interest in the economic benefits that competitive markets deliver. As discussed in our response to 2.2, NSPs should face strict conditions before entering competitive markets.

To be allowed to participate in a contestable service an NSP must demonstrate that:

- the provision of the service delivers a **long-term net benefit⁸ to electricity consumers** (e.g. lower prices, greater reliability, improved access)
- there is an **independently verifiable market failure** in the short term (where it plays a legitimate kick-starter function) or long term;
- intervention is **proportionate** to the identified market failure.

⁵ ECA 2023, Submission to AER initiation notice for a ring-fencing class waiver for community batteries, p2.

⁶ ECA 2025, EDNPR (IDSP) Draft Directions Paper Submission

⁷ ECA 2026, EDNPR (IDSP) Draft Determination Submission

⁸ See CSIRO, 2023 Consumer Impacts of the Energy Transition: modelling report, for background on DNSP net benefits



- where there is a potential future market, NSPs must put in place an **exit strategy** with a clear pathway back to competitive market provision once commercial delivery becomes viable. Where there is temporary intervention, it must not be classified as standard control services to ensure non-participating consumers do not underwrite the investment.

Where these tests are met the NSP must:

- demonstrate it **acts fairly and equitably towards third parties** providing similar services including:
 - removing **information asymmetries**;
 - ensuring **connections** are timely, cost-reflective and transparent;
 - providing **access fees** that are cost-reflective, transparent and applied consistently under a capped regime;
 - putting in place **cost reflective tariff design** in a way that avoids favouring traditional network investments, including through cross-subsidies
 - ensuring equitable **access to avoided network revenues**

Question 4: Are changes required to the connection and/or facility access arrangements?

We agree with the issues identified in the Consultation paper and consider reform is needed to address the issue. We do not want connection access fees and timelines to act as a barrier to new market entrants and lower cost services for consumers. See our response to Question 9.2 for further examples related to electric vehicle charging infrastructure.

Question 6: Nexa rule change request – Do the ring-fencing arrangements in the NER need to be strengthened?

6.1 Do you agree with Nexa's framing of the issues raised in its rule change request?

We agree with Nexa that the changing nature of the energy system, driven by the transition, demands closer consideration of ringfencing arrangements. However, our primary concern is ensuring an efficient energy system that delivers value to consumers. We remain open to different approaches, provided they promote system efficiency and do not constrain innovation or competition.

We consider that appropriate ring-fencing protections remain important to prevent the misuse of monopoly power, maintain confidence in competitive markets and ensure a level playing field for market participants. However, we do not think that consumers' best interests are best served by potentially overly rigid arrangements that prevent good outcomes from occurring.

In our response to Question 3.2, we recommend that the current ringfencing obligations be strengthened to protect the long-term interests of consumers and provide criteria to serve this purpose. These conditions reflect several elements of the Nexa proposal. Our criteria attempt to strike the balance between the fundamental tension between consumer interests in a competitive market against the need to move quickly on the transition, to sustain public confidence in the transition, while also reducing emissions.



With respect to data access, we concur with Nexa that information asymmetries present a problem. We propose that they be addressed through specific and consistent criteria as outlined at Questions 3.2. We also note that the Enhancing Distribution Network Planning and Reporting rule change will assist with access to relevant information.

We support Nexa's proposal for enhanced audit requirements, independent verification of the market failure and the requirement of an exit plan. Sunset clauses and their duration should be considered on a case-by-case basis.

Question 9: ENA rule change request - Do you agree with ENA that there is a problem with the roll out of EVCI?

9.1. Do you think that there is a 'chicken and egg' problem with EVs and kerbside EVCI? If so:

9.1.a. how material do you think this problem is?

As we outline below, there is a 'chicken and egg' problem – but it may be smaller in Australia than in some other countries. And where it does exist, it can be highly localised due to the nature of housing stock in an area. However, we make it clear that even if such a 'chicken and egg' problem exists – that is a separate issue from whether it is in the long-term interests of consumers for networks to own public charging infrastructure.

As we have noted in previous submissions,⁹ EV adoption and the rollout of public charging infrastructure are closely interdependent. Consumers are more likely to purchase an EV when they are confident that convenient charging is available, while private investment in public charging infrastructure depends on there being a sufficient and growing EV customer base. This creates a classic "chicken-and-egg" challenge, where each depends on the other to progress.¹⁰

However, the materiality of this challenge varies significantly across consumer cohorts and locations. Australia starts from a relatively favourable position, as access to home charging is high and home is consumers' preferred location for charging.¹¹ Our Consumer Energy Report Card (CERC) data shows that 87% of households with a vehicle have access to off-street parking, and 41% have a power outlet within 10 metres of where they park.¹² This means a large share of households can already meet their everyday charging needs at home with little or no additional infrastructure.

The challenge is more material for renters and apartment residents, who are much less likely to have access to convenient home charging. Previous research found that 13% of Australians are unable to install EV charging infrastructure because they rent their home, while a further 10% are unable to do so because they live in an apartment building.¹³ Renters are particularly affected: 31% of private renters and 21% of people living in public or community housing identified access to charging infrastructure as a barrier to purchasing an EV, compared with just 4.5% of owner-occupiers and mortgage holders.¹⁴ Consistent with these findings, CERC data shows that only 24% of apartment residents with a vehicle have a power outlet within 10 metres of where they park, compared with 45% of those living in detached

⁹ See our submissions to the [Inquiry into infrastructure for electric and alternative source vehicles in NSW, and to the Victorian Inquiry into Electricity Supply for Electric Vehicles](#)

¹⁰ *ibid*

¹¹ Lavieri, P.S. and de Oliveira, G.J.M., 2023 — "Planning for the majorities: are the charging needs and preferences of electric vehicle early adopters similar to those of mainstream consumers?", *Oxford Open Energy*, Vol. 2.

¹² ECA, 2025 – [CERC](#)

¹³ Consumer Policy Research Centre, 2022 – The barriers and potential enablers of electric vehicle uptake in Australia

¹⁴ *ibid*



homes.¹⁵ Lack of access to home charging is also mentioned as one of the main barriers to EV adoption, particularly among renters and apartment residents.¹⁶

For these consumers, everyday charging will need to rely, at least in part, on public and kerbside charging infrastructure. It is especially in these locations that a reliable public charging network for everyday use is needed. Because consumer confidence depends on charging being available when it is needed, we consider that charging infrastructure should, to some extent, lead EV uptake in some of these areas rather than simply respond to existing demand. This will help ensure consumers are not excluded from the transition to electric vehicles because of where they live.

However, access to public charging is only part of the solution for renters and apartment residents. Part of the access issue will also be resolved by improving access to home charging itself — through measures such as EV ready standards for new builds, reforms to simplify strata approval processes for charger installation, and rental reforms that give tenants a clearer right to install charging equipment. For many households, these measures can address the underlying access problem at the source, rather than relying solely on public infrastructure to compensate for it.

As highlighted in our previous submissions,¹⁷ further investigation is needed to understand, at a more granular level, how many households would purchase an EV if they had access to a charge point near their home. This would help determine the scale of unmet demand, inform how much public charging infrastructure is needed, and identify where it should be prioritised.

9.1.b. do you think it is a permanent or temporary problem?

In our view, the problem is likely to be temporary in most locations, but persistent for some consumer groups and regions. Battery electric vehicles accounted for 24 per cent of new vehicle sales in June 2026, up from 11 per cent in June 2025.¹⁸ If this growth continues, it could support a more competitive charging market over time.

However, current EV adoption is concentrated among households with access to charging at home. While Electric Vehicle Council's (EVC) survey of 1,500 current EV owners is likely to be biased towards households with access to charging, it nevertheless found that 92% of respondents were able to charge at home. This suggests that in areas with a higher share of renters and apartment residents — where access to home charging is more limited — EV adoption may lag, and reliance on public charging infrastructure will be greater. These areas may need initial public support to establish an access layer and kick-start supply, with rising demand eventually sustaining commercial viability.

A similar dynamic is evident regionally. A report by HoustonKemp, commissioned by ECA, found that public EV charging infrastructure is unevenly distributed, with significant gaps between metropolitan and regional areas.¹⁹ This likely reflects the geographic distribution of EV uptake itself, which varies across jurisdictions and tends to be concentrated in metropolitan areas, where incomes are generally higher and average commute distances are shorter.²⁰ Regional and remote households are therefore more

¹⁵ ECA, 2025 — [CERC](#)

¹⁶ *ibid*

¹⁷ See our submissions to the [Inquiry into infrastructure for electric and alternative source vehicles in NSW](#)

¹⁸ Chris Bowen, 'Can you spot the moment in the graph when we launched our policies to make it easier for Aussies to buy an EV...?' (LinkedIn, 11 July 2026)

¹⁹ HoustonKemp, 2025 — [Creating accessible and affordable public EV charging networks for Australia](#), pp. i-16

²⁰ *ibid*



likely to rely on public charging in the first place, reinforcing the case for public support to establish an access layer in these areas.

9.1.c. do you think the problem is limited to:

i. kerbside AC slow charging (<24kW), or does it apply more generally to other forms of EVCI, including DC fast charging (>24kW)?

We consider the problem to be more acute for kerbside AC slow charging (under 24kW) than for DC fast charging (above 24kW), given the latter's stronger commercial viability. UNSW research funded through an ECA grant found that DC charger sites (30–50 kW) were used around four times more often than AC sites and delivered roughly five times more energy per day on average.²¹ This reflects stronger underlying demand and a more favourable investment case for DC infrastructure. Their higher utilisation also makes them more space-efficient, requiring fewer dedicated EV parking spaces — an important advantage in dense urban areas where on-street parking is limited and highly contested.²²

This highlights that the challenge is not simply about increasing the number of chargers, but about providing the right type of charging infrastructure in the right locations. The most appropriate solution will depend on local consumer preferences, parking patterns and dwell times. For example, areas with a high proportion of apartment residents or destinations where people typically park for one to two hours may be better served by 30–50 kW DC chargers, whereas slower AC charging may be appropriate in locations where vehicles are parked for extended periods. Planning should therefore focus on matching charging infrastructure to local demand and use patterns to maximise consumer convenience, network efficiency and value for money.

ii. particular locations (e.g. regional areas) or does it apply in all locations, including metropolitan areas?

The problem can arise in both metropolitan and regional areas, although its nature and persistence are likely to differ. The challenge is likely to be more persistent in regional and rural areas. Public charging infrastructure in these locations is expected to have lower utilisation rates, making it less commercially attractive for private investment.²³ At the same time, regional consumers typically travel longer distances and are more concerned about driving range and access to charging.²⁴ Research shows that 40% of people living in rural and regional Australia cite range anxiety as a barrier to EV adoption, compared with 26% of those in urban areas.²⁵ These concerns contribute to lower EV ownership and lower intention to purchase an EV among regional households.²⁶ Together, these factors suggest there is likely to be a more enduring role for targeted public support to ensure adequate charging infrastructure is available in regional and rural communities.

9.1.d. how do you think this problem could be best addressed and do you think this should be funded by electricity consumers or other mechanisms?

Where a gap in consumer need cannot be efficiently met by the market, a coordinated, targeted and time-limited intervention may be warranted. However, the first step should always be to identify the

²¹ The Conversation, 7 April 2026 – Growing EV popularity is leading to queues at fast chargers. Could a kerbside charger network help?

²² *ibid*

²³ HoustonKemp, 2025 – Creating accessible and affordable public EV charging networks for Australia

²⁴ ECA, 2025 – CERC

²⁵ Consumer Policy Research Centre, 2022 – The barriers and potential enablers of electric vehicle uptake in Australia

²⁶ ECA, 2025 – CERC



underlying cause of the gap. Where the barrier stems from DNSP enabling functions — such as connection processes, access fees or access to network information — those issues should be addressed directly. Where the barrier reflects a lack of commercial viability despite efficient market conditions, targeted intervention may be justified.

Well-targeted public EV charging infrastructure can accelerate EV uptake, improve network utilisation and support emissions reduction. ECA's Stepping Up report estimates that households with an EV could save around \$1,440 per year by 2030²⁷, and these benefits extend beyond EV owners themselves, reducing electricity bills for all consumers through better network utilisation.²⁸ International evidence supports this finding. In California, where EV adoption is much more advanced, EV charging has generated net benefits for electricity customers, with EV drivers contributing substantially more in electricity revenues than the associated costs of serving them, helping reduce electricity prices for all consumers.²⁹

These broader public and consumer benefits mean that some level of funding — whether through government grants, electricity consumer contributions, or a combination of both — can be justified as a temporary measure where the long-term benefits outweigh the costs. However, any public funding should be targeted to locations where there is a clear and demonstrated need and should only continue until competitive market provision becomes viable.

9.2. Are there any other problems or barriers that you think third party providers might face in developing kerbside EVCI that could be addressed through the NER?

Yes. In our view, DNSPs' primary role should be to facilitate kerbside EVCI deployment — through efficient connection processes, transparent network information and fair access arrangements — rather than to lead delivery. However, there is evidence that current DNSP processes and charging practices are themselves creating barriers to efficient rollout.³⁰

Connection processes: Evidence suggests that DNSP connection processes can present a significant barrier to the timely deployment of public EV charging infrastructure, with performance varying considerably across jurisdictions. The EVC's State of Electric Vehicles report found Victorian DNSPs to be among the poorest-performing networks nationally, with no dedicated teams to support public EV charging connections and comparatively weak performance on connection timeframes and the provision of second lines of supply required for charging infrastructure.³¹ The Victorian Government's EV Charging Regulatory Impact Statement similarly concluded that more action is needed to ensure new EV charger installations can proceed at a reasonable speed and price, through a consistent and fair process.³² HoustonKemp's research similarly highlights the importance of timely approvals on fair and transparent terms, including requiring DNSPs to assess applications within defined timeframes and fast-track approvals for poles that have already been identified as suitable.³³

Site identification and network information. A key barrier to efficient deployment is the lack of consistent and transparent information on network capacity and constraints across DNSPs. While some DNSPs publish hosting capacity maps and network information to assist charging providers in identifying

²⁷ Energy Consumers Australia, 2023 – Stepping Up Report p. 12

²⁸ CSIRO, 2023 – Consumer impacts of the energy transition: modelling report

²⁹ Natural Resources Defense Council (NRDC), 2022 – Electric Vehicles Are Driving Electric Rates Down: Updated and Expanded, pp. 1-4

³⁰ HoustonKemp, 2025 – [Creating accessible and affordable public EV charging networks for Australia](#),

³¹ Electric Vehicle Council, 2024 – [State of Electric Vehicles 2024](#), pp. 56-57

³² Victorian Department of Energy, Environment and Climate Action, 2026 – [EV Charging Regulatory Statement](#), p. 10

³³ HoustonKemp, 2025 – [Creating accessible and affordable public EV charging networks for Australia](#), p. iii



suitable sites, others provide little visibility of network conditions.³⁴ As a result, proponents may not know whether sufficient network capacity exists until after they have submitted a connection application and incurred associated costs.³⁵ Consistent with ECA's Integrated Distribution System Planning (IDSP) rule change proposal³⁶, DNSPs should be required to publish and maintain publicly available information on network capacity at the low-voltage transformer level.³⁷ Improved transparency would support more efficient site selection, reduce development costs and help direct investment to the locations where charging infrastructure can be deployed most effectively.³⁸ DNSPs should also proactively identify and publish information on network assets, such as power poles, that are suitable for hosting kerbside charging infrastructure.³⁹

Facility access fees. Access fees for pole-mounted charging infrastructure remain unregulated in Australia.⁴⁰ The Victorian Government's *EV Charging Regulatory Impact Statement* notes that this allows DNSPs, as regulated monopolies, to determine fees with limited transparency, resulting in significant differences between networks and creating uncertainty for third-party investors. Access fees should therefore become regulated to ensure they are cost-reflective, transparent and applied consistently across jurisdictions to provide investment certainty, minimise barriers to entry and support competitive provision of public charging infrastructure.

Question 10: ENA rule change request - Would the ENA's proposed solution address the identified problem?

10.1. Do you consider the ENA's proposal to amend the NER to enable DNSPs to install, own and maintain EVCI and to provide distribution EVCI services on an open access basis would most efficiently address the issue identified in the rule change request? If not, why?

No. In our view, the proposal focuses on expanding DNSPs' role in delivering public EV charging infrastructure without first demonstrating where and why DNSP involvement is needed.

The need for kerbside charging varies significantly across locations, depending on factors such as housing type, tenure, population density, parking availability, travel patterns and local amenities. DNSPs have limited visibility of many of these factors, as they primarily relate to transport planning, land use and consumer behaviour rather than electricity network condition. As a result, they are not best placed to determine where public charging infrastructure is most needed or what type of charging infrastructure is most appropriate.

DNSPs are also structurally incentivised to maximise the number of EVCI assets delivered, as cost recovery through the regulated asset base is largely independent of asset utilisation. This creates a risk that investment decisions may favour building more infrastructure rather than the right infrastructure. The objective should be to deliver the right charging infrastructure, in the right locations, at the right time — not simply to increase the volume of public EV charging. Infrastructure installed in areas with limited consumer need is unlikely to maximise EV uptake or deliver efficient outcomes for consumers.

³⁴ Essential Energy – [Network Capacity Map](#)

³⁵ Victorian Parliament, [Inquiry into the Supply of Electricity in Victoria for Electric Vehicle Charging](#), p. 21.

³⁶ ECA, 2025 – [Integrated Distribution System Planning \(electricity\) rule change request](#). This rule change is now being progressed by the AEMC under the following name: Enhancing Distribution Network Planning and Reporting.

³⁷ HoustonKemp, 2025 – [Creating accessible and affordable public EV charging networks for Australia](#), p. 46.

³⁸ *ibid*

³⁹ HoustonKemp, 2025 – [Creating accessible and affordable public EV charging networks for Australia](#), p 47

⁴⁰ Victoria Government. (2026). [EV Charging Regulatory Statement](#), p. 12.



Importantly, the proposal does not address several of the key barriers to efficient rollout identified above, including inconsistent connection processes, limited transparency of network capacity information, and unregulated facility access fees. Addressing these issues would be an important and proportionate way to facilitate competitive investment in public EV charging infrastructure.

10.2. Do you consider that the distribution EVCI service identified by ENA should be a ‘distribution service’ (i.e. a service provided by means of, or in connection with, a distribution system)? Why/why not?

No. The need for DNSP involvement is context- and location-specific rather than an inherent feature of the service itself. Consistent with our broader position, contestable delivery should be the starting assumption, with DNSP involvement considered only where there is clear evidence that competitive markets are unlikely to deliver efficient consumer outcomes. Even then, it should be limited to circumstances where the NSP demonstrates:

- the provision of the service delivers a long-term net benefit to electricity consumers.
- an independently verifiable market failure — for example, where there is a genuine gap in charging access and no realistic prospect of a competitive provider filling it within a reasonable timeframe.
- that intervention is proportionate to the identified market failure
 - where there is a potential future market put in place an exit strategy with a clear pathway back to competitive market provision once commercial delivery becomes viable.

If these tests are met then the NSP must:

- demonstrate it acts fairly and equitably towards third parties providing similar services including:
 - removing information asymmetries;
 - ensuring connections are timely, cost-reflective and transparent;
 - providing access fees that are cost-reflective, transparent and applied consistently under a capped regime;
- Show minimum consumer service standards are met, covering charger reliability, transparent and consistent pricing, and real-time information on availability and operational status.

10.4. If the ENA’s proposed rule change was to be made, do you think any constraints or time-limits should be imposed?

Yes. We consider the same conditions set out in our response to Questions 3.2 and 10.2 should apply — namely a clear test for demonstrated consumer need and market failure, and periodic review. We recommend that the AER review any DNSP-owned EVCI at least every five years, with assets transferred to competitive providers where commercial interest exists.

International experience supports this approach and suggests DNSP ownership of EVCI should be treated as a targeted, temporary intervention rather than a standing entitlement. In the European Union, network operators are generally barred from owning, developing, or operating EV charging infrastructure.



An exemption applies only where an open and transparent tender process has failed to attract a third party able to deliver the service at reasonable cost and within a reasonable timeframe,⁴¹ and even then, the regulator must approve the tender conditions in advance and the DNSP must provide non-discriminatory third-party access once operating.⁴²

France has gone further in transposing this framework domestically, requiring DNSPs to obtain a specific time-limited exemption from its national energy regulator, capped at five years.^{43,44} At the end of that period, the regulator reassesses market interest through public consultation, and where the exemption is not renewed, the charging assets are transferred to competitive providers, with the DNSP compensated for the residual value of its investment.⁴⁵

10.7. Are there alternative solutions that would more efficiently address the identified issues and be more consistent with the NEO that you think the AEMC should consider? If so, please describe the solutions and explain how they would be more consistent with the NEO.

Yes. We consider that a market-enabled, consumer-focused model — one that removes barriers to private investment, sets minimum service standards, and targets government grants and DNSP involvement to circumstances where market failure is clearly demonstrated — would more efficiently address the identified issues and be more consistent with the National Electricity Objective. This model has three components.

First, barriers to efficient market-led deployment should be addressed directly. This includes improving make-ready works and connection processes, for example through standardised and funded arrangements for DNSPs to prepare poles ahead of need; increasing the transparency of network capacity information, consistent with our Integrated Distribution System Planning rule change; and addressing unregulated and inconsistent facility access fees, drawing on the approach being developed through the DCCEEW grants proposal.

Second, access to public charging infrastructure should be planned in a coordinated way to identify where consumer need exists, where the market is already delivering, and where intervention is genuinely required. Delivering the right infrastructure in the right locations requires consideration of consumer charging needs and travel patterns, local planning and parking conditions, and network feasibility. Federal, state and local governments are best placed to lead this planning, drawing on evidence from targeted government grant programs, such as the NSW Kerbside Charging Grants and the DCCEEW proposal. Where this planning identifies a clear and persistent market failure, DNSP involvement could be considered as a targeted, time-limited support mechanism, subject to the conditions set out in our response to Question 10.2.

Third, minimum operating standards should apply across all public EVCI to strengthen consumer experience and confidence. These should include interoperability of apps and payment methods, transparent and comparable pricing, minimum reliability and uptime standards, and open, real-time data on charger location, availability and operational status. These standards should specifically be a mandatory condition of any EVCI delivery that involves DNSP involvement.

⁴¹ European Union, 2019 — [Directive – 2019/944, Article 33\(3\) \(a\)](#)

⁴² *ibid*

⁴³ HoustonKemp, 2025 — [Creating accessible and affordable public EV charging networks for Australia](#), p.40

⁴⁴ French Energy Code, 2021 — [Article L353-7](#)

⁴⁵ HoustonKemp, 2025 — [Creating accessible and affordable public EV charging networks for Australia](#), p.40



We consider this approach more consistent with the National Electricity Objective for several reasons. It removes barriers that affect all providers rather than favouring a single class of provider and targets intervention only where consumer need and market failure have been clearly demonstrated. It preserves competition while allowing limited, well-justified intervention where necessary and reduces the risk of inefficient costs being borne by all electricity consumers. By supporting the deployment of the right infrastructure in the right locations, it also promotes EV uptake and emissions reduction more effectively than simply increasing the volume of public charging infrastructure. Finally, minimum service standards would improve consumer experience and confidence in public charging, supporting greater EV uptake.

Question 11: ENA rule change request - What are the costs and benefits of ENA's proposed solution?

11.1. What do you consider the direct and indirect costs and benefits over the short and longer term would be of the ENA's proposal to amend the NER to enable DNSPs to roll out EVCI and to provide EV charging service providers open access to EVCI services?

The costs and benefits of ENA's proposal depend heavily on where, when and how DNSPs are permitted to provide EVCI services, and this issue overlaps substantially with our earlier responses on assessment criteria and the intervention framework set out at Questions 3.2 and 10.2.

In brief, without clear assessment criteria and the safeguards we have outlined, there is a risk of inefficient investment, deployment in the wrong locations, crowding out of competitive providers, and unnecessary costs being borne by electricity consumers without addressing genuine consumer need — along with broader distortions to competitive neutrality in related contestable markets. Conversely, where intervention is carefully targeted, time-limited, and supported by evidence of consumer need and market failure, well-targeted public EVCI can accelerate EV uptake and deliver broader consumer benefits through improved network utilisation, lower system costs and emissions reduction.

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