

**Submission
No 93**

**INFRASTRUCTURE FOR ELECTRIC AND ALTERNATIVE ENERGY SOURCE
VEHICLES IN NSW**

Organisation: Business NSW

Date Received: 19 May 2025

Partially
Confidential

9th May 2025

Legislative Assembly Committee on Transport and Infrastructure
Parliament House, Macquarie Street,
SYDNEY NSW 2000

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Dear Committee,

RE: Inquiry into infrastructure for electric and alternative energy source vehicles in NSW

Business NSW welcomes the opportunity to provide a submission on the inquiry into infrastructure for electric and alternative energy source vehicles in NSW.

Business NSW is NSW's peak business organisation with close to 50,000 member businesses. Business NSW works with businesses spanning all industry sectors, the majority of which are small or medium enterprises. Operating throughout a network in metropolitan and regional NSW, Business NSW represents the needs of business at a local, state and federal level.

The transition toward low carbon energy sources for vehicles is increasingly influencing business practices across our state and nation, offering both opportunities and challenges. As the state government continues its path to Net Zero by 2050, businesses are recognising the need to embrace and adopt cleaner energy solutions to meet both regulatory expectations and long-term sustainability operational goals. This transition is particularly significant with the rise of electric vehicles (EVs) or low carbon alternative energy source vehicles, which present the government with a key opportunity to create the best policies settings, and work with industry to allow for a rollout of infrastructure that is best for business and the consumer.

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Recommendations

Recommendation 1: Ensure a fair competitive market for the rollout of public EV chargers through 'ring fencing' policies

The key objective of this committee should be to consider the how competitive dynamics are supporting consumer outcomes across the delivery of EV infrastructure – such as public EV chargers – across NSW.

Business NSW is concerned with the potential involvement of Distribution Network Service Providers (DNSPs) in the delivery of public-facing EV charging infrastructure, and how their involvement would skew market competition, stifle business's ability to grow and innovate, increase costs and not deliver the best quality service outcomes for consumers.

We ask the NSW government to actively support the Australian Energy Regulator (AER) to maintain and enforce their ring-fencing guideline¹. The objective of the AER's ring-fencing guideline (electricity distribution) is to:

- promote the National Electricity Objective by providing for the accounting and functional separation of the provision of direct control services by DNSPs from the provision of other services by them, or by their affiliated entities.
- promote competition in the provision of electricity services.

Upholding this guideline will ensure equal opportunity for business and fair competition is maintained during the rollout of EV infrastructure. Allowing for healthy competition will be the most effective way to incentivise the uptake of EV by NSW drivers and ensure abundant, affordable and user-friendly charging infrastructure. International examples in Europe and the UK have shown that when regulation allows for equal investment opportunities from all, multiple charge point operator arise, allowing for faster rollout of infrastructure, lower costs and higher quality service for consumers².

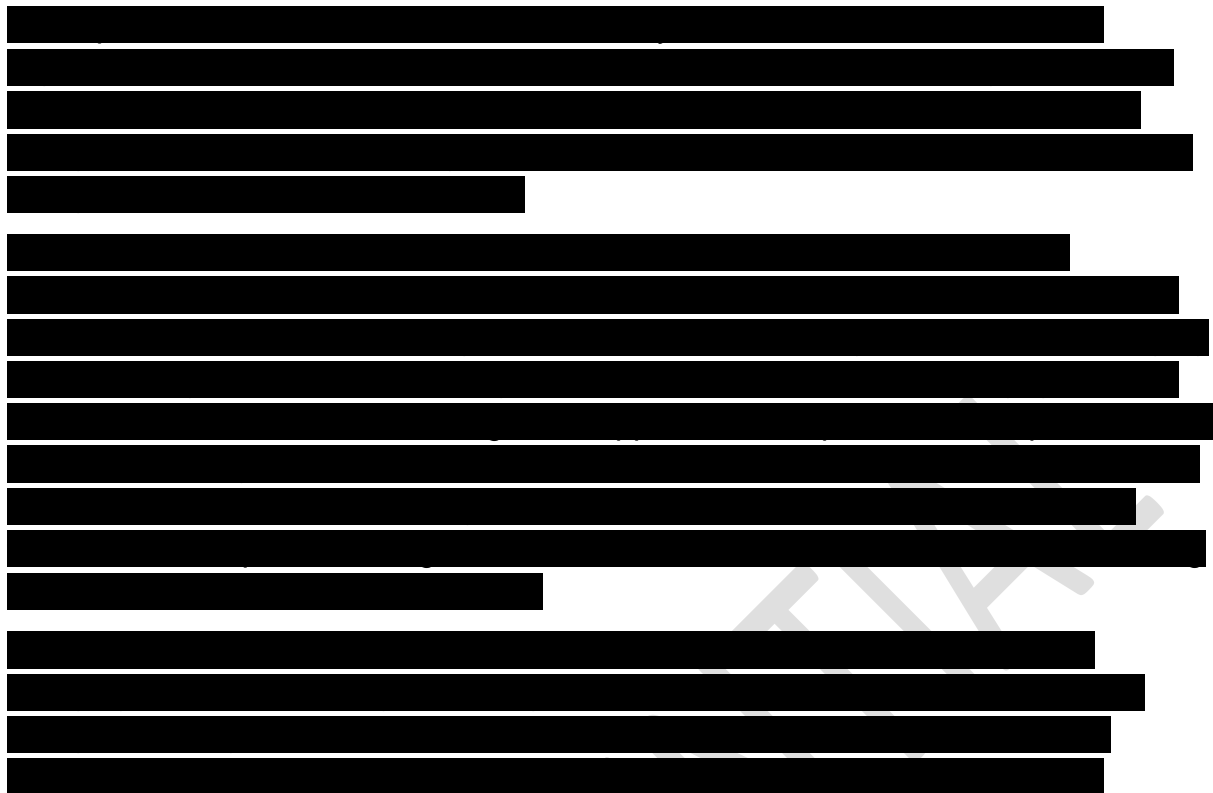
We recognise, however, there are potential benefits associated with DNSP involvement, especially the role they can play in infrastructure rollout in regional NSW. They have an existing workforce, and the tools to deploy and upgrade grids as needed, potentially improving cost efficiency and reducing infrastructure fragmentation. We therefore also urge the government to work with DNSPs on how they can best support the rollout of EV infrastructure e.g. data sharing whilst ensuring competitive neutrality is maintained.

Recommendation 2: Provide targeted funding and incentives to expand and accelerate the rollout of EV public chargers in regional areas

EV infrastructure in regional NSW remains underdeveloped, posing significant barriers to reliable travel and business operations. Current infrastructure having charging stations spaced up to 100km apart along major highways is inadequate, particularly when compared to the denser 5km intervals around metropolitan Sydney.

¹ AER, Ring-fencing Guideline Electricity Distribution, February 2025

² U.K. Government, Department of Transport, Government response to the CMA's Electric vehicle charging market study, March 2022



These scenarios underscore the urgent need for expanded charging infrastructure. Infrastructure issues particularly in regional NSW, have been compounded by a lack of interoperability between charging networks (e.g. NRMA vs Chargefox), broken or incompatible chargers, and unreliable user input on apps like PlugShare, affects real time planning. These challenges not only extend travel time and increase stress to work-related travel, but also results in operational delays for regional businesses relying on EVs.

As the government encourages greater uptake of electric and alternative fuel vehicles, the availability of options and accessibility of chargers plays an important role in boosting consumer and business confidence in the take up EVs or alternative fuel vehicles.

Recommendation 3: Provide a supportive policy environment and incentives to allow viability of alternative energy sources for freight, heavy vehicles and other licenced vehicles in regional communities

The viability of alternative energy sources for freight, heavy vehicles and other licenced vehicles in regional communities presents both challenges and opportunities. Decarbonising the road freight sector is not only essential for reducing emissions, but also represents the strategic shift to the government's long-term sustainability goals.

Providing a supportive policy environment to enable the viability of alternative energy sources (like electric, hydrogen, or biofuels) for freight, heavy vehicles, and other licensed vehicles in regional communities involves coordinated strategies across government, industry, and infrastructure planning.

Currently NSW government policy supports EV uptake for individual drivers. Business NSW support these efforts but recommend government look at target incentives for businesses that operate heavy vehicle fleets to transition to electric heavy vehicles that may be cost prohibitive for them.

Additionally, we encourage government to ensure policy settings reflect fuel source-neutral approach be adopted to allow the market to develop for alternative energy sources (like electric, hydrogen, or biofuels) so freight, heavy vehicles and other licenced vehicles can decarbonise in the most efficient, least-cost manner. The focus must be on technologies that enhance productivity and strengthen the economy, while at the same time delivering cost-effective emissions reduction. Government policy must eliminate barriers, reduce early adopter risks, and create a stable investment framework.

Recommendation 4: Develop a NSW EV workforce strategy to ensure EV workforce readiness

The EV workforce encompasses a wide range of jobs related to the production, maintenance, and support of electric vehicles, including roles in manufacturing, repair, sales, and charging infrastructure. As the EV industry grows, there is a need for skilled workers in various areas, particularly in areas like EV-specific repairs and maintenance, battery technology, and charging station installation.

Business NSW recognises government investment in EV training and supports updated technical licensing pathways, targeted training support, and the retention of exemptions critical to service delivery.

However, to ensure we have an EV workforce ready for statewide uptake of EVs, we urge the NSW government to develop a strategy to ensure a more coordinated approach in education, training, industry partnerships, and inclusive planning. This would ensure skills in regional NSW are also developed. We need programs in all regions of NSW that equip local technicians and small operators to meet growing EV servicing and EV charging infrastructure repair demands if the uptake of EVs is to be successful.

Recommendation 5: Provide a platform on the Service NSW app that includes all electric vehicle charging station across the state, assisting with EV uptake

There are currently about 15 different apps a driver needs to download to cover all the charger providers. The NSW Government needs to find a solution for this barrier through the amalgamating of the apps onto the Service NSW app. This will incentivise the uptake of EV's for business and the community and make it easier for older or disabled people who want to switch driving EVs. We urge government to work with electricity providers to find and implement similar solutions to retrofitting poles with chargers to incentivise a rapid and efficient update of EV drivers.

We appreciate the opportunity to contribute to this important inquiry. The transition to electric and alternative energy vehicles is a crucial pathway to achieving Net Zero by 2050, particularly for businesses in NSW. For this transition to be successful, the development of well-designed and reliable infrastructure is essential to instilling confidence and encouraging widespread adoption of electric and alternative fuel source vehicles.

We welcome further engagement on this matter and are available for discussions at your convenience. Should you require additional information, please contact Leah Tucker, Senior Policy Manager, Energy and Infrastructure

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Yours sincerely,

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Mustafa Agha
Head of Policy
Business NSW

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