

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Electricity Supply for Electric Vehicles

Melbourne – Friday 27 February 2026

MEMBERS

Georgie Purcell – Chair

Richard Welch – Deputy Chair

John Berger

Gaelle Broad

Katherine Copsey

Moira Deeming

Tom McIntosh

Evan Mulholland

Sonja Terpstra

WITNESS

Stephanie Bashir, Chief Executive Officer, Nexa Advisory.

The CHAIR: I declare open the Legislative Council Economy and Infrastructure Committee's public hearing for the Inquiry into Electricity Supply for Electric Vehicles. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the Aboriginal peoples, the traditional custodians of the land we gathered on today, and pay my respects to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee or who are watching the broadcast of these proceedings. I also welcome any other members of the public watching via the live broadcast.

To kick off, we will just have committee members introduce themselves. I am Georgie Purcell, Member for Northern Victoria.

Katherine COPSEY: Katherine Copsey, Member for Southern Metropolitan.

Tom McINTOSH: Tom McIntosh, Member for Eastern Victoria.

The CHAIR: Thanks so much for taking the time to appear before us today.

All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act* and further subject to the provisions of the Legislative Council standing orders. Therefore, the information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following the hearing, and then transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your full name and the organisation you are appearing on behalf of.

Stephanie BASHIR: Stephanie Bashir from Nexa Advisory.

The CHAIR: Wonderful. Thank you. We now welcome your opening comments but ask they are kept to around 10 to 15 minutes to ensure plenty of time for discussion and questions.

Stephanie BASHIR: Thank you. Chair and committee members, thank you for the opportunity to appear today. My name is Stephanie Bashir from Nexa Advisory. Nexa is an advisory firm focused on accelerating the clean energy transition in a way that delivers secure, reliable and affordable power for all consumers. We are specialists in energy markets, regulation and policy design, with deep expertise in the intersection between energy and transport, particularly the transition to electric vehicles. I have worked in the energy sector for more than 20 years across generation networks, retail and market reform.

Our submission to this inquiry makes one central point: if EV take-up is to accelerate in Victoria, policy and regulation must prioritise customer preferences and protect competition, because competition is what delivers efficiency at scale. EV drivers are not policy instruments; they are consumers making significant financial decisions. Vehicles are one of the largest investments households and businesses make. If charging is not convenient, affordable and reliable, consumers simply will not switch. A competitive EV charging market is therefore essential. International evidence shows that when multiple charge point operators can invest on equal terms, rollout is faster, innovation is stronger, and costs are lower. Competition drives service quality, pricing discipline and infrastructure deployment at scale. Every aspect of EV charging infrastructure is contestable and can be delivered competitively, provided the regulatory framework supports open access and neutrality.

However, we face challenges in Victoria, and these are not technological; they are regulatory. Two structural bottlenecks remain. The DNSP connection processes – the timely and cost-effective provision of electricity

supply – is critical to building charging infrastructure, yet proponents face lengthy, complex, costly connection processes. In some cases, connections can take up to 18 months and cost between \$250,000 and \$750,000 per application, depending on capacity and location. These delays and costs are not absorbed by networks; they are borne by charging providers and, ultimately consumers, which slows the rollout, increases prices and creates uncertainty for private investment. In addition, access to critical network data, including hosting capacity and local constraints, remains fragmented and insufficiently transparent, disadvantaging third-party providers and limiting efficient investment decisions.

Secondly, tariff reform is missing in action. Network tariffs have not kept up with the pace of the realities of a two-way customer-led energy system. Inflexible, traditional demand-based tariffs for public charging remain a major barrier to commercially viable projects. EVs have the potential to help the system: charging during periods of rooftop solar surplus, responding to price signals and providing flexibility, but the current tariff structures do not reward this behaviour. They favour cost recovery for incumbent networks rather than incentivising efficient use of the grid. If we want EVs to support the electricity system, we must establish tariffs that recognise smart infrastructure, including energy-only options for low-utilisation sites, solar soak incentives and low-control incentives during critical events. Without these reforms we are effectively penalising the very flexibility the system needs.

Finally, maintaining competitive neutrality is essential. Monopoly distribution networks play a critical role in enabling access to the grid, but they must not be permitted to leverage their regulated monopoly position to compete in contestable EV charging markets. Ring-fencing protections exist to protect consumers and promote competition, and they must be upheld.

The pathway forward is clear: streamline connection processes and open connection services to contestable works, strengthen the network and transparency of data, reform tariffs to recognise smart, flexible infrastructure and protect competition through robust ring fencing and regulatory oversight. If Victoria gets these settings right, competition will deliver the scale, efficiency and consumer outcomes needed to accelerate EV adoption. This inquiry presents an opportunity to ensure that that happens and that the electricity regulatory framework evolves to support consumer-driven electrification, not impede it. Thank you. I look forward to your questions.

The CHAIR: Great. Thank you so much. I will go first. I do not think we need the timer. We have got plenty of time. In your submission you note that the Victorian government needs to provide greater support towards EV charging infrastructure. I know you have just gone through a few changes that could be made. What do you think is the most critical thing that we could – obviously we are in the state Parliament; we are making recommendations at a state level. What is the most important change that is required?

Stephanie BASHIR: If I could sum up our submission into one key ask, it would be basically allowing the private market to do what they do best, and that is really ensuring that the bottlenecks that exist right now and that are in the way are addressed and addressed in a way that protects that environment.

The CHAIR: You also speak to some of the challenges of regional and rural communities. Tom and I are both regional MPs. I think that is a pretty strong sentiment in regional communities, that there is a bit of a fear of the uptake of EVs, and one of the reasons is charging infrastructure. What are the changes that need to be made from a regional and rural perspective to ensure that rural communities are not left behind in the transition?

Stephanie BASHIR: I know the Victorian government has actually done quite a bit in Victorian rural and regional EV charging. Potentially some of the previous companies that came to the committee would have presented some of the information on that. Where we came to from our submission on that point is at the moment a lot of our regional communities are hosting the replacement generation as we shut down our existing coal power stations – the transmission of wind and solar. We need to bring them on the journey with us. I think the Victorian government has done that through the EV charging grant, but I think there needs to be some more work done to make sure that some of the regions feel that they are not missing out, whether it is EV charging, batteries or addressing some of the basics that they have got at the moment, the issues around the basics.

The CHAIR: Great. I might go to Mr McIntosh.

Tom McINTOSH: Sure. Thank you. I just want to go through those three key points you summarised at the end around data, tariffs and ring fencing. From a data perspective, just to be clear, it is about new customers

understanding DNSP capacity, where they can connect. I think you mentioned timeliness and being affordably priced. Do you just want to elaborate on that a little bit?

Stephanie BASHIR: Yes. Network capacity at the low voltage level is really important because that is where a lot of the non-network solutions can address some of those technical network issues around capacity.

Tom McINTOSH: Are you still talking about 22-kilowatt chargers there? When you say low voltage, do you mean our smaller kerbside as opposed to our high-voltage chargers?

Stephanie BASHIR: I am talking at the street level. If we know where the capacity issues are – not only where the capacity constraints are and the capacity issues but also the costs. So if a distribution network was to upgrade the street with a distribution level transformer or other upgrades, the cost of that is very important as well, because that is what is going to attract other solutions. If people know where the constraints are, how much it is going to cost for a network solution, that is where the innovation comes in. From an EV charging perspective, having that information available is important up-front because it helps avoid some of those very technically onerous and very expensive locations as a result of the capacity constraints. In our submission we do talk about the cost of those applications being between \$250,000 and \$700,000 per application, and that is all due to the constraints at these connections, and that information is not visible up-front.

Tom McINTOSH: I do not think anyone has talked about having the cost visible up-front. We have talked about the grid capacity, but cost is really good, because something we have heard is the fact that DNSPs might give a quote for \$30,000 or \$50,000, and there is not a lot of clarity around why that is. It is contested; prices may be dropped. I think you may have hit the nail on the head saying not just capacity but cost up-front, so there is visibility –

Stephanie BASHIR: The cost to upgrade as well – what it is going to cost the network to upgrade that site, because some of those providers could bring in their own solutions. It could actually be better off maybe putting in a large-scale battery there. Technology is not the issue; it is really the transparency of the data and information to allow informed decisions by commercial businesses.

Tom McINTOSH: We actually have not dived into tariffs a hell of a lot. Do you just want to expand on tariffs a little bit and how you see that best working, what sort of model could best work, and how that relates to EV charging?

Stephanie BASHIR: For EV charging specifically, we do need EV charging tariffs that address the initial low utilisation of the chargers as EV take-up, I guess, becomes greater. At the moment, the demand charges that apply are close to basically penalising EV charging sites, and so what that translates to, in very simple terms, is consumers end up paying a lot more than they really have to. They are paying for the highest level of utilisation at a site, when really the utilisation is very low at the moment, until we see that greater uptake.

Tom McINTOSH: And just so I understand, are you talking about the network connection fee to those sites, or are you talking about the rate paid at any given time throughout the day or year?

Stephanie BASHIR: The rate. Demand tariffs work on the highest point of demand when you charge your car or your truck or your ute. Basically, that sets the price, and consumers then pay that demand charge. In Victoria they introduced in an order in Council the opt-in to demand tariffs, which helps quite a lot, but I think there needs to be some really specific dedicated EV tariffs for charging operators as we go from low utilisation, medium utilisation to high utilisation.

Tom McINTOSH: And what would that look like? Would that incentivise daytime charging – periods of high-surplus electricity?

Stephanie BASHIR: Time-of-use tariffs are a good way, as a starting point, to go for EV charging tariffs.

Tom McINTOSH: Just to finish off on the ring fencing, we have heard a lot about concerns about a monopoly of DNSPs getting into EV charging infrastructure. It sounds like you are of the same view.

Stephanie BASHIR: Yes. Our view is ring fencing was brought in back in 2015 for a reason: it was brought in to protect consumers from the misuse of regulated monopoly and the misuse of gold plating. This is an important topic, and it is not just ring fencing for the sake of ring fencing. We actually need sites for consumers

where they are going to be used. There is no point in actually rolling out EV charging everywhere if it is not going to be utilised, because consumers end up paying for that – someone has to pay. You want charging in the right locations that is going to be utilised, and it has to be at the right price. This whole notion that we are just going to spread out and put chargers everywhere on poles, means you have got to think about: is it actually going to be used, and who is going to pay for it at the end of the day? If the networks do it, it will be on the regulatory asset base, which means energy consumers will foot the bill. Energy consumers are already footing the bill on many things, and this is definitely not one thing we want them to foot the bill on.

Tom McINTOSH: I think it is good you raise that point, not popping them where they are not needed and us all paying for it. Thank you. Those are my questions.

The CHAIR: Thanks. Ms Copsey.

Katherine COPSEY: Thank you. Just to start, excuse my ignorance, but do you operate generally in a think tank function? Or do you generally represent clients in the submissions and so on that you make?

Stephanie BASHIR: No. We are independent.

Katherine COPSEY: Thank you. I am curious about – and I have been looking for the witness to ask this of – the general public’s ability to engage with time-of-use tariffs and whether there are equity concerns we need to take into account. Some of us are obsessed with it – I am an Amber customer and do not put the dishwasher on unless it is really cheap. For people who are not as engaged with our energy supply patterns, if we are implementing time-of-use tariffs, are there ways that we can make sure that we still encourage behaviour change from regular energy customers? How can we incentivise good behaviour but also protect people from the really deleterious impacts of price signals if someone is not able to shift their usage, for example? Much of it will be flexible.

Stephanie BASHIR: I might break this up into parts. When we are talking about time-of-use tariffs for EV charging, it is the EV charging site. When a customer goes and charges their car and they tap their card or use the app that they are given by their charging operator to pay, there is messaging about the pricing, what they are doing and the price at that point, so there is obviously quite a lot of communication around that. You have got to separate that from time-of-use for households, the offerings and, if you like, innovative tariffs across the board. For EV charging sites, I think the reason why you would want to do something like that is because it helps to basically communicate that if you charge during the day, it is going to be cheap. If there is a peak period – like last year in New South Wales there were hot weather conditions – the EV charging operators were able to basically say that, ‘It’s going to be hot. If you charge your car before this time, you can get a cheaper tariff than if you charge it at another time.’ So there is that type of communication to allow people to charge within time band periods. It makes it a lot easier. It is a different conversation, though, of course – time of use just applied at scale.

Katherine COPSEY: Generally, yes.

Stephanie BASHIR: Generally, yes.

Katherine COPSEY: Which will probably flow on but is not necessarily the subject of this inquiry.

Stephanie BASHIR: That is why I was saying before that you need to look at EV tariffs dedicated for EV charging. We do have dedicated tariffs for certain things, and EV charging does require its own tariff structures to make sure that people are not paying more than they need to.

Katherine COPSEY: Can you just elaborate on that for me? We heard earlier around, for example, kind of set-and-forget hot water charging patterns that have been actively revisited as we try and fit demand to supply. I might be getting too far into the weeds for my brain to even –

Tom McINTOSH: Can I jump on this as well?

Katherine COPSEY: Yes, please.

Tom McINTOSH: I think we are going to the same place. We have got 100,000 EVs out there. With petrol you drive along and you see it on the billboard. With TOUs, how are we going to know? Is it going to be on the

app? Is it going to pop up? If we are talking about responding to weather patterns and responding to availability, what does that practically look like? Just talk me through, if we have got surplus generation or minimal generation or demand on the grid, how that is communicated to consumers. How do they see that and then use it and consume it?

Stephanie BASHIR: How do they see it today?

Tom McINTOSH: No, how would they?

Katherine COPSEY: In the ideal state.

Stephanie BASHIR: It should be communicated, and that is where the competitive market comes in with their innovative ways of communicating to customers with innovative apps to provide alerts and information to customers. It is no different to other things that we are seeing. Even now when Uber is at a peak and I am not even using it, they send that it is going into high demand and the price goes up. People are already used to that sort of thing. When they want something and the demand is high on it, they pay for that. It is basically passing the pub test that you pay for what you are using.

Tom McINTOSH: We have got the apps; the apps are there. Just so I understand: the kerbside chargers or the roadside chargers, do they need those TOUs to come through the distributor or their retailers? I am not quite clear on that. Maybe it differs depending on the volume they use and whether they purchase themselves. I am just trying to understand that. Is it the distributors that set the time-of-use tariff, or is it the retailers that do it?

Stephanie BASHIR: The networks actually have their own network tariffs that set the pricing. That includes their whole costs and all of that. That basically is then passed to the retailer.

Tom McINTOSH: Yes. So the AER would help set those tariffs with the distributor?

Stephanie BASHIR: With the network, yes. And these prices are set. There is a tariff structure that is changed every year. So there is an opportunity for those to actually come through and be changed, and we need that flexibility in those tariffs.

Tom McINTOSH: Yes. I will just wrap up by saying for this committee it would be to make that recommendation to the AER that they consider that in their annual reviews. Would that be right?

Stephanie BASHIR: Yes. If the committee was to put this forward, just to highlight that currently the Victorian distribution networks are having their pricing determinations being reviewed by the AER. And so that is a recommendation that has gone through many organisations to the AER – that we need an EV tariff in the next price reset. The next price reset will be there for the next five years, so if we miss this five-year price reset, we miss out and we have to wait another five years unless we apply for a trial. The submissions to the five-year price resets closed a few weeks ago, so I would say: if you want to put that recommendation, make it quick.

The CHAIR: Did you have some more questions?

Katherine COPSEY: I just wanted to understand a sentence in your submission, basically:

Network tariffs that include blunt demand or capacity charges are high cost and unsustainable for consumers ...

Can you tell me what that means in plain English, sorry?

Stephanie BASHIR: No, that is okay.

Katherine COPSEY: It probably is plain English.

Stephanie BASHIR: It is not; tariffs are never plain English.

Katherine COPSEY: Yes.

Stephanie BASHIR: At the moment, what a demand tariff is, in really simple terms, is a price – a low price – and then if you reach a certain demand you pay a high price, and then you keep paying that high price until it resets itself. I do not know if I am oversimplifying it here, but if you think about it from an EV charging

perspective, a charger basically is what the price is set at – the demand charge. So a driver comes in with an EV Porsche, charges their car, and of course that is going to set a very high price or it is going to reach the demand because of the make-up of the car and the way that it charges. Then a Kia driver comes after that, and they want to charge their car, and they basically will pay the price that the previous driver had set in the demand. The whole point of this is that that actually creates a bit of unfairness, and unless there is high utilisation consistently, which then would be fair, demand tariffs right now are quite penalising for EV drivers when they are charging.

Katherine COPSEY: I see. Thank you.

The CHAIR: Does anyone have any further questions?

Tom McINTOSH: No, that is good.

The CHAIR: Great. I think that is everything from us for today, but if members have any follow-up questions, we will submit them to you on notice. We really appreciate you making the time to come and appear before us today and giving us such a detailed submission as well that the members who are not present will be able to read before we deliberate.

Stephanie BASHIR: Fantastic. Thank you.

The CHAIR: That concludes the public hearing.

Committee adjourned.