LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Electricity Supply for Electric Vehicles

Melbourne – Thursday 12 March 2026

MEMBERS

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Necessary corrections to be notified to executive officer of committee

WITNESS

Jonathon Clark, Executive Director, Connected Kerb.

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

I would like to welcome any members of the public watching via the live broadcast. I will start by introducing the committee members.

Gaelle BROAD: Hi. I am Gaelle Broad, Member for Northern Victoria.

The DEPUTY CHAIR: I am Richard Welch, Member for North-East Metro.

John BERGER: And John Berger, Member for Southern Metro.

The DEPUTY CHAIR: For the witnesses, all evidence is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during the 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. You will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, could you please state your name and any organisation you are representing?

Jonathon CLARK: Jonathon Clark, and I represent Connected Kerb.

The DEPUTY CHAIR: Thank you. We would like to invite you to make an opening statement for as long as you like – 15 to 20 minutes, as long as you need – and then we will go to questions and answers after that.

Jonathon CLARK: Great. I did not really prepare an opening statement. I was not advised that I was going to do that, but I am happy to do it. I read my submission again this morning, and I think it is fairly thorough in what it is looking to address. But just to create some context, my company Connected Kerb, or the company I represent in Australia, is probably the largest EV kerbside charger in the UK. We have an estate of over 10,000 chargers that we operate, so we have broad experience in understanding the economics of kerbside charging. I think if I consider the cornerstone or look at what we wrote for this inquiry, the point that was probably missing is that we would have a view that Victoria should look to create an environment where 3000 or something like 3000 kerbside chargers at a minimum were rolled out by the end of 2027. I think that is the sort of requirement that needs to start for EV charging. I think in that sort of environment, what we consider is: how is that done in the way that is most beneficial for the consumer? I think that the driver of kerbside charging has to be recognised as delivering the consumer benefit, which is not immediately obvious. We believe that the existing infrastructure – or we believe that kerbside charging – should be seen as an extension of electricity network itself as opposed to a business in its own right. And so if you can deliver the full benefits of the electricity system that exists today into charging EVs, then you can deliver something very cost effectively to the consumer, and that should be the overall driver.

If you look to replicate what is the natural monopoly of distribution companies by bringing another layer of charging operators, you are going to add a cost to the system that does not necessarily need to be there. In the UK, it does operate on a grant system. The LEVI system in the UK has subsidised something like £380 million-odd of money to councils to roll out these chargers. But even in those environments, the rate that is charged at the street sits at a 50 per cent premium to the price that you would pay for electricity at home. That does not need to exist, and I think the DNSPs offer the opportunity for the same prices, if you consider why should the electricity that is purchased on a pole be any different from the energy you purchase at home? If you look at the total environment, if you look at an EV being effectively a mobile appliance owned by a household, how do

you make sure that that appliance is able to be operated at the most beneficial rate, whether it is inside the household or it is a mobile household? So you have got to make sure you capture it wherever it is mobile.

The cornerstone of our thinking is there needs to be a way to roll out a reasonable amount of infrastructure for charging, and we think that something like 3000 by the end of next year would be a minimum in Victoria. It needs to be done in a way where the distribution companies are encouraged to deliver their strength to the ability. This is really about EVs as opposed to EV charging, and the existing electricity industry benefits from the ownership of an EV wherever you plug in. I mean, a distribution company is a tollway; it is like the Transurban, but it does not actually make any more money if it has got more cars on it. It is not controlled by the amount of electrons that flow through it, it is controlled by its overall revenue. So there are ways of utilising that strength and unleashing the power of the retail market into that. I think the role of the energy owners – the people that operate and manage the system – and the regulators need to ensure that there are no restrictions on passing the benefits through to the consumer. I will stop there.

The DEPUTY CHAIR: Thank you very much, Mr Clark. I will perhaps start, and then we will go through. I am really grateful you are here, because the UK experience, I think, is instructional for us. I lived in London from 2000 to 2018 –

Jonathon CLARK: So you saw it.

The DEPUTY CHAIR: and I had an EV. The infrastructure popped up remarkably quickly, actually.

Jonathon CLARK: Yes, it did.

The DEPUTY CHAIR: So I am sort of curious about the insights you can give us about the differences. The first question I have got is: what do you see as the infrastructure difference, the network difference? Were you predominantly in London? Where were you?

Jonathon CLARK: I am based in Melbourne, so I recognised the opportunity of Connected Kerb and what it was doing in the UK.

The DEPUTY CHAIR: In the UK, is Connected Kerb predominantly –

Jonathon CLARK: We are right across the UK, so the LEVI system of grants operates with councils. We are probably predominantly outside London in Surrey, Sussex and all the way up to Scotland.

The DEPUTY CHAIR: One of the really big visual differences between Melbourne and UK cities is the lack of telephone poles. Does that make a material difference to the ability to deploy?

Jonathon CLARK: Well, I was thinking about that actually as I was coming in here, and I think it does, because if you consider that in the UK environment we operate with the councils; you are ultimately leasing a space somewhere, unless the DNSPs are putting it on themselves, but we lease a space from the council because we are effectively digging a hole in the street. Energy is delivered underground; in Australia it is delivered above ground, so there is an existing infrastructure in Australia that allows you to jump ahead to take advantage of it –

The DEPUTY CHAIR: You think it is a benefit?

Jonathon CLARK: I think it is a benefit, yes.

The DEPUTY CHAIR: Oh, really? In what way? From an engineering point of view?

Jonathon CLARK: Yes, a cost – the cost of rolling out a charger in the UK, even with all the experience we have had, is probably two to three times the cost of putting chargers in place on a pole. Not the cost of the charger of course, the cost of the infrastructure – we have to dig a pit, and we have to put our hardware in that pit, so there are a lot more civil works involved.

The DEPUTY CHAIR: Just to tease that bit out to get rid of my curiosity, because the UK did upgrade and put its electricity underground, there would have been other improvements into the infrastructure of that grid.

Does that mean that it is local transformers that are at a more advanced state or are its network managers at a more advanced state than ours?

Jonathon CLARK: I could not answer that question specifically; I can certainly check it out, but I would say that exactly the same pressures are put on the system in the UK as here. Ultimately the cost to distribution companies is really grid management: how do you control grid management in a way that is cost effective? Whether it is placing pressure in specific locations or just controlling the flow of the grid, they are exactly the same – whether one is more advanced or not, I am not sure.

The DEPUTY CHAIR: With the proposition that the electricity should be treated like household electricity and not differentiated, the question that sparks me is – what BS – but we have got this new infrastructure investment here. You are actually installing a piece of equipment, and that equipment has a very specific purpose for a small demographic, and here it is a very small demographic. That cost would be then amortised back to all users.

Jonathon CLARK: Yes.

The DEPUTY CHAIR: Why should all users be paying for this very specific piece of equipment infrastructure that is being used by affluent people? To be fair, more affluent people own EVs than less affluent people: why should everybody be paying for that infrastructure?

Jonathon CLARK: I think that under the electricity system it is a decision around the benefit – or do you want EVs to exist in the system? And should the people in the street be treated any differently from people who have driveways? I think that the way the electricity system is established is you do pay broadly for impact on other people. I live in a suburb where the electric system was developed probably a hundred years ago, and my bill, or the DNSP component of my bill, is influenced by rolling out the system in new suburbs. Under the electricity system you always pay for the economic building.

The DEPUTY CHAIR: But aren't you just slightly conflating a universal domestic power supply, which is a universal benefit for everybody – that is quite reasonable that we share a universal. This is a particular interest group's benefit.

Jonathon CLARK: I think they are similar, personally. I do not think I am conflating that.

The DEPUTY CHAIR: Why is that?

Jonathon CLARK: Because I think that the universal benefit of a suburb or a new area or where a distribution company spends its money is controlled by a view that we need to improve those suburbs and do things. They are always taking a position on certain things. I understand your point, but I think that the other side of the question is that if you look at all the infrastructure that is rolled out in the public domain, it is funded by taxpayers dollars, which is exactly the same. So the question should be, I think: what is the most efficient and cost-effective way of delivering that?

If you look closer to home, at New South Wales – and we are engaged with the New South Wales government in their grant program – the New South Wales government outlays 80 per cent of the capital cost of putting chargers in the street at the kerb, which is a very large number. In the UK now it is much lower than that because it has built up to a system. But even in those environments, at the 80 per cent funding, the energy is being delivered – I do not have the exact numbers – probably at a 50 per cent premium to home energy. The funding is not actually creating the advantage, it is funding an inefficiency in the market. The bottom line is that the distribution companies, the retail companies and the generators actually get their benefit from you buying an EV, because then you plug in at home, you plug in in the street. They are actually taking money wherever you operate. The reason why that premium exists – 80 per cent funding plus a premium to the consumer – is because for kerbside charging we have to take a return on our infrastructure out of a very small number of events. That is the broad economics of it. You are utilising street charging as a driver to incentivising that. What we see in the UK is that the street chargers themselves are effectively an advertisement for EV charging. What you would have seen in the UK you see as being out there and as being part of the system. The point would be that we also have to see it as having a commercial benefit. What is the economic benefit to me, the consumer, in utilising that bit of infrastructure? I think that becomes lost if you have to charge a premium. In fact the whole benefit of an EV's energy cost compared to an IC car's is lost with that premium increase.

The DEPUTY CHAIR: The 80 per cent subsidy, which is a very, very, very, very high subsidy –

Jonathon CLARK: It is pretty high, isn't it. Yes.

The DEPUTY CHAIR: Does that suggest it is not viable? Is that kind of subsidy expected to go on in perpetuity?

Jonathon CLARK: Obviously it does. I mean, if you need an 80 per cent subsidy to stick it out there, then you are saying at the moment it is not completely viable, so we need to create the incentive for people to come to do it.

The DEPUTY CHAIR: For a company like yours, there must be a tipping point at which it is worth the investment. Where is that? In the UK, I do not think you get 80 per cent subsidies.

Jonathon CLARK: No, we do not, but the LEVI system still operates on something like a 30 per cent subsidy, I think. It is in the thousands.

The DEPUTY CHAIR: That is the critical mass?

Jonathon CLARK: The critical mass, yes.

The DEPUTY CHAIR: In the thousands – low thousands, high thousands?

Jonathon CLARK: High thousands – higher thousands.

The DEPUTY CHAIR: 9999?

Jonathon CLARK: 9999, yes. It is an industry which has got a low margin. I guess the point is that the benefit that we are delivering is an uptake of EVs, and 90 per cent of the benefit of that uptake of EVs is being taken by the distribution companies, the retail companies and the generator companies. So they should be contributing into the equation.

The DEPUTY CHAIR: Last question before I hand over to other committee members: is therefore what you are saying that the economics of this will work best, and it will become scalable, because it is in essence a commodity product?

Jonathon CLARK: I do not think I quite understand your question.

The DEPUTY CHAIR: If it only becomes valuable at scale, that is the definition of a commodity product.

Jonathon CLARK: Yes. Well, no, I think the –

The DEPUTY CHAIR: The economics sort of are a bit screwy, then.

Jonathon CLARK: I think the economics are difficult, and I think that is what needs to be considered. A grant is generally created to allow an efficiency to build in the industry to deliver a product. And because 80 to 90 per cent of the events happen away from your piece of infrastructure – and I should say destination charging is a completely different game; this is long-duration kerbside charging. You will get to critical mass where there is a break-even and you do not need the grant, but you are still charging a premium over the cost of energy because that is your business, because you have created a secondary system of charging – you are saying the charging of EVs is different from the electricity system, whereas if you are doing it inside the electric system, the point is that the benefits that EVs bring to the system can be captured by the incumbents that are delivering the products, if that makes sense.

The DEPUTY CHAIR: Yes.

Jonathon CLARK: Any complex system requires the consumer to be incentivised. One of the things you are looking at is vehicle-to-grid charging. We think simple financial incentives to consumers is the way forward, and allowing an environment where that can operate is the critical part.

The DEPUTY CHAIR: Okay. All right, thank you very much. I will pass to Mr Berger.

John BERGER: Thank you, Chair. Thank you for your appearance this morning. I am interested to just understand a little bit more about your 10,000 charging points in the UK.

Jonathon CLARK: Sockets, yes.

John BERGER: Do you experience any network failures through that vast amount of charging points you have got?

Jonathon CLARK: It comes with issues, but I do not think network failures, no. We financially incentivise our customers to charge at different times, so off peak and whatever. We are long-duration systems –

John BERGER: As opposed to the fast charger?

Jonathon CLARK: As opposed to a fast charger. I think these are two very distinct businesses. For a fast-charging network you should pay a premium, because it is delivering you a service which you drive to and you take advantage of, and you are prepared to pay the premium for that service. Whereas incidental charging, which is that your car incidentally happens to be there, so you charge it, which are longer duration charges, causes a lot less impact on the system. So, no, we do not see network failure.

John BERGER: Isn't that a little bit at odds with what I think you said before about the pole-charging versus the home-charging rate?

Jonathon CLARK: Sorry?

John BERGER: Like the tariff, if you like. If you are doing it from a pole or you are doing it from the home, the rate should be sort of the same.

Jonathon CLARK: Why is that at odds with –

John BERGER: I thought that is what you –

Jonathon CLARK: Yes, I am saying that.

John BERGER: Well, how does that work when you are talking about a premium for a faster charge?

Jonathon CLARK: Well, we do not deliver a faster charge necessarily. We are long-duration charging. A fast charge or the ultra-rapid will be where you pull up and your car is charged in 10, 20 minutes. That is very expensive infrastructure and very demanding on the system to deliver that. When you charge on the kerb or at your house or at your office or your commuter, which is where you have the benefits of being able to put back to the consumer because you can control when they charge, how quickly they charge and things like that, that is where the premium should not exist.

John BERGER: What would be some of the experiences that you have seen in the UK that could benefit us as we are new to the experience? What would be some of the things that might be of benefit to us to take into consideration, given that I suspect there will be a significant uptake in electric vehicles.

Jonathon CLARK: I take the view that it is the start of the journey, so our experience would say you should consider EV charging as another use case for electricity, not a charging in its own right, and under that umbrella there are different facets of how that energy is used. Some people want to have it delivered very quickly and other people are happy with the longer duration. Also there is a change in behaviour of how you charge, and those changes in behaviour are generally driven by incentives. You can create less impact on the grid by creating financial incentives to consumers, so those things can be taken into account.

The other thing is that this is a mobile household appliance. There is quite a bit of thinking that has to go into how those things interact together, but the mobile household appliance where you want to deliver the benefit to the household but the fact it is mobile means you have to be able to deliver that in different places and the electricity system definitively gives you the ability to do that. There is technology a step before vehicle-to-grid charging – and this is the unleashing of innovation which comes with scale – which is the mobile telematics that exist in your car and your ability to read where that car is plugged in and charging. That data allows you to

drive incentives, which can be financial rather than getting into the complexities of having to move energy from a car battery back into the grid.

John BERGER: I know we have got some challenges with units, flats, multistorey buildings. What is the UK's experience with this?

Jonathon CLARK: It is as complex as it is here, I would say. The UK is very different in its dormitory suburbs from Australia; the number of driveways and things like that is very different. So the kerbside charging is different, but I think that it needs to be considered in that full picture of: if you need to get to a critical mass, if you have got these mobile appliances, if this is just another use case for electricity, how does the system operate? And that really comes down to the regulator and what he allows on the system to deliver behind the meter.

I was looking at a study which looked at Con Edison in New York. Con Edison is different from Australia; it is a complete, vertically integrated generator, distributor and retailer. But Con Edison delivers incentives to consumers that, 'If you don't plug in for the three months of summer' – and they actually extend it to four months – 'we'll give you a $35 rebate between 6 and 8 in the evening.' That is just taking a read from a smart meter to say you are not plugged in. I think in my final point in the submission, when it said, 'What else should you consider?', I actually have a view that all charging should be smart charging. You are potentially missing a future opportunity. We will go through regulating and controlling these things in different ways, but being able to talk to those chargers as well as talking to the meters is something that is pretty important and changes the dynamics in multi-occupancy dwellings.

John BERGER: Thanks, Chair.

The DEPUTY CHAIR: Thank you, Mr Berger. Ms Broad.

Gaelle BROAD: Thank you very much. I appreciate your insights. I just want to understand – you have got lots of outlets in the UK; are there any in Victoria? Do you have any?

Jonathon CLARK: We are working with Powercor on their trial in Victoria, so we do not own any in Victoria. Companies like ours are made up of several parts. In the beginning there was this thing called a charge point operator, and they did everything: they built, they designed, they paid for them and they put them out there. That effectively got broken down, because we now have a standardisation of protocols that exist across the whole system. So we have manufacturers, we have people that devise and that supply the systems and the hardware. We supply the charge point management system to Powercor, which is their ability to look at the estate and to manage their estate. We are also able to supply what is called the e-MSP system or operate as an e-MSP ourselves, which is effectively being the interface for the retailer, so for customers. But we do not do that at this stage.

Gaelle BROAD: Okay. I have got a few questions about the UK experience, and then we can maybe come back to what is happening here in Victoria. What is the cost to establish a connection point in the UK? How does that compare to what you are seeing here in Victoria?

Jonathon CLARK: I am not actually 100 per cent sure what the differential is in cost. I think that you would find that costs are comparable. I think the higher cost comes into areas – and the higher variation of costs probably comes into areas – with ultra rapids. So our connection points with –

Gaelle BROAD: When you say ultra rapids, are you talking about fast chargers?

Jonathon CLARK: Fast charging, yes. They have a higher demand on the grid, and therefore the point of connection is expensive. At the level of longer duration charging there is a low cost, and the cost is actually associated with the rental of the space to put the charger in.

Gaelle BROAD: Okay. What about the timeframe for connection? What is that rate? If a new site is identified in the UK currently – because you have already got a lot established – how long does it take for that to be connected?

Jonathon CLARK: It can take some time.

Gaelle BROAD: What is 'some time'?

Jonathon CLARK: It is a good question. I would have to come back to you on the period exactly. Anecdotally I can tell you that we now have an estate of just over 10,000 chargers. In fact we recently put on board another 1500 chargers, so we are probably up at around 11,000 or 12,000, and we have a backlog of approximately 30,000 chargers, so we are not going to chew that up.

Gaelle BROAD: To be installed?

The DEPUTY CHAIR: Could you define 'backlog'? What does that mean?

Jonathon CLARK: Backlog to be installed, so they have been approved and they are to be installed.

Gaelle BROAD: Okay. And when you have, I think it was 100 employees, is that separate from your installation? Are you getting contractors and –

Jonathon CLARK: Yes. We outsource. We operate with contractors on installation and also servicing. In this, the most important part of our charge point management system is the maintenance and servicing, which we look to do as much as possible remotely. But you also have to have people on the street, going out and taking off the graffiti or maintaining the units, and we operate with contractors and we integrate. It has become a very sophisticated system. We integrate directly with workflows of the contractors, so we ticket directly into the contractors of the jobs that need to be done.

Gaelle BROAD: Okay. I am just interested with the access to tariffs. I guess the structure in the UK is probably slightly different to what we are seeing here, although we heard that tariffs are the same. Do you have any comment on what is happening there and what is happening here when it comes to the accessibility to tariffs?

Jonathon CLARK: I think that both markets are addressing them in a similar way. If there is a weakness that I would identify in the system, it sits in the operator and regulator in identifying this market opportunity and understanding where it is going to take the distribution and retail industries. Our system is created where we have competition on generation, we have competition on retail and we have a system that is called a natural monopoly, because the cost of duplication of that system is really inefficient, so you have to regulate it. And I personally think that the fact that they are regulated not as an electron charge but as a profitability charge is something that can be taken advantage of by the rollout of EVs, but you must allow the retailers and the generators – and retailers might not be the existing energy retailers; they can be e-MSPs; a retailer is effectively a collective of customers that can come to the market – to operate very efficiently in that environment. And I think that it is understanding what needs to be turned on and when, if that makes sense.

Gaelle BROAD: Yes. Your submission did talk to the different roles, and I just want to understand that, because you mentioned being involved in a pilot program here.

Jonathon CLARK: Yes.

Gaelle BROAD: It seems that you are saying DNSPs can be efficient. I guess I am interested in your thoughts on the pilot program and the waiver that is in place in Victoria at the moment until 2031. We have heard from other operators that are wanting to engage in that competition and feel they are being excluded from that at the moment. Are you suggesting that there should be a flatter structure and the DNSPs should be driving the rollout?

Jonathon CLARK: Absolutely. I am very aware of the alternative arguments. We are very engaged as a charge point operator. Charge point operators are putting out – you know, there are 1000 EV chargers going in in New South Wales. To the best of my knowledge there are no kerbside chargers – and I am not saying I am 100 per cent correct; I am just saying to the best of my knowledge – that have gone in in the Australian market that have not been subsidised to the tune of what I have said in New South Wales and are not delivering energy at a premium price of at least 50 per cent to the consumer. I think that needs to be questioned. I think that a DNSP model can deliver household electricity prices because anybody can roam; you have changed the relationship. In the UK the retailer sits behind our charger. We deliver from our charger because we have a retailer embedded in our charger, effectively. What you are doing is you are moving the retail relationship to

the household that is coming to the charger. That allows for great competition between different retailers who can offer cross-subsidised products between the car, the household and different parts. Opening up that door, I think, is important, and it can only be done by a DNSP.

Gaelle BROAD: Can I just ask though: is there a conflict in a way because that is your business, but you currently are engaged in the trial with Powercor? So I guess you are included in that process, whereas others have been excluded. Is that right?

Jonathon CLARK: At the moment, yes. I mean, we are a charge point operator and –

Gaelle BROAD: So how did you get included in the trial and others –

Jonathon CLARK: I was competitive.

Gaelle BROAD: Right. Okay.

Jonathon CLARK: It is a competitive situation. Everybody that has been in front of your committee was part of that competitive process, plus others. We have been active with Ausgrid as well in New South Wales. They have run a very competitive situation as well around the same sort of questions. It is competitive. But kerbside charging is a small part of the question. I think what the industry generally will benefit from – I mean, we are in business. We have to execute to a business plan. Kerbside charging will increase the number of EVs on the road. The number of EVs on the road will create a larger opportunity for businesses like ourselves to be involved in the market, whether that be at car parks or whether that be at commuter car parks. There are a whole range of areas. You can deliver software. You can deliver hardware. There are all sorts of layers of competition.

Gaelle BROAD: Okay. I am just interested, I guess going back a step, we heard about some of the chargers from other providers with DNSPs being charged $75,000, challenging it and it going down to $34,000. What is your observation of the process at the moment?

Jonathon CLARK: I think you will always have conflict in that area. I think you will always have disagreement. So let us be clear, you are talking about ultra rapids, so you are talking about the energy cost being delivered to ultra-rapid situations.

Gaelle BROAD: I am not sure of the background as to those particular chargers, but that is what was referenced.

Jonathon CLARK: But it is. Those sorts of numbers do not appear on kerbside charging, so this is ultra-rapid charging. As I said, ultra-rapids are a different market. They deliver a premium product and a premium service to users, and it is an essential service and part of the equation. In that there will always be a debate between what it costs me to install that service and how much it is.

Gaelle BROAD: What has been your experience with Powercor in that process with charging?

Jonathon CLARK: We do not have any experience with them in that process. We are just not engaged on – so in our view, we are a long-duration charger. The ultra-rapid cell service, which as I said before fell apart at the market, are at a significant premium to your home. So in the UK the industry is well established. The sort of joke amongst people like ourselves, because we are in the longer duration, is that people charge in ultra-rapids just enough to get home, where they can charge more cheaply, which you can understand. So I think that is a different game. I imagine that tension will always exist and there will always be two sides to that argument because that is commerce.

Gaelle BROAD: I did want to ask – just because it has come up previously during the inquiry, and the UK, I imagine, would have a lot of heritage-type areas – what are your thoughts on that? In some areas there would be restrictions on installing chargers because of heritage concerns. How does that work in the UK?

Jonathon CLARK: There is and there has been all sorts of designs and different designs so that things fit in better. I would have to get exact examples. I mean, we sit in the street in areas where there are multiple different designs of these bollards that exist.

Gaelle BROAD: It would be interesting to see, if you could share that. I did see a photo in your submission, but if you have got any other examples, that would be helpful.

Jonathon CLARK: No, we could show them. But I think the important element to this is that because of the reasons Richard said before, we are the only market, so product does not exist globally to fit naturally on poles. There is a company called EVX that has created a very good product for Australian poles. It sits on the poles well. So we have energy coming from above and every charger in the market has energy coming from below. So we have to loop the power around, and it could be done better, but we need scale to design a product which fits better, which we are already talking to people about.

Gaelle BROAD: Thank you. All right. Well, given we have got a bit more time, I am just interested in your observations too, because the Auditor-General released a report at the end of last year about the transition to renewable energy, and it was questioning the reliability of Victoria's energy supply. And I guess with the growing population and the increased demand of EVs potentially, what are your thoughts on Victoria? Do we have capacity in our power grid?

Jonathon CLARK: That is probably have a question I should refuse to answer, but I will not. I have not read that report. I do not know what the position is. I think electrification generally is a huge issue. I think over the next 10 years a household, whether that is directly or indirectly, will demand about 100 per cent more electrons than they have today. And that will not be specifically to the household, but they will be demanding that because of the electrification of transport and because of AI. So those two impacts will mean somehow the system needs to accommodate 100 per cent more energy. That will be a debated number. Let us say anywhere between 50 and 100 per cent probably should be fair, or Richard thinks higher. In that, the critical part is that EVs can be utilised as a balancing tool into that equation. That increase in cost, which is not driven by alternative energy sources, is just happening because that is where the market is going. But what electricity has the ability to do is deliver multiple energy sources into one form of energy, as very different from an IC. If you want to drive your car on nuclear energy, you need electrification of the grid, because that is how it will be achieved. This really is not an alternative energy discussion; this is a discussion about how electric vehicles can be used as a tool to ensure that that future demand of energy is more cost effectively utilised for the consumer, if that makes sense.

Gaelle BROAD: Thank you.

The DEPUTY CHAIR: We have got time for just a couple more. Halfway through the last batch of questions maybe the penny dropped for me – I was probably being a bit dim.

Jonathon CLARK: I do not think so.

The DEPUTY CHAIR: What you are suggesting in your model is that the user of the EV, using kerbside, when they charge it actually just gets added to their domestic home electricity bill.

Jonathon CLARK: That is the view that I think can be achieved, yes. It does not have to be, but I think you can open that door.

The DEPUTY CHAIR: And that forms part of your argument as to why the DNSPs should have such a major role in the –

Jonathon CLARK: The system we have today is powerful in ensuring that the cost pressures can be allocated across the whole system rather than just keeping them into this unique area of the charger on a pole, where we find it very hard to take the full economic benefit.

The DEPUTY CHAIR: I can see some merit in that. I am going to ask you a question. This is not an assertion wrapped up in a question, but I think it is a bit of an elephant in the room. I just want to make sure that it is articulated without actually necessarily asserting that it is the case, so please do not take offence at the question. Isn't it slightly curious that out of all the CPOs operating in Australia, the only one that was chosen to participate in the DNSPs trial is the one that supports DNSP having a major role, an increased role, and not the competitive framework that is the current orthodoxy?

Jonathon CLARK: No, I do not think so. I can understand why you are asserting that.

The DEPUTY CHAIR: Well, I am not asserting it. I am pondering it.

Jonathon CLARK: You are pondering it. I think you have to look at the process. I think we need to raise ourselves above that question and consider the question: where can we deliver a model that delivers maximum benefit to the consumer cost effectively? And how do we do that inside a system that already exists? I do not see the model. We had the benefit in the UK of looking at how the system has developed over the last 10 to 15 years, and you can replicate that system in the Australian market. By replicating that system in the Australian market, you will deliver a system that relies on 30 per cent subsidy and still charges a 50 per cent premium to the consumer, or you can look to take advantage of what has been learned from that system to deliver a better product to the market. Certainly we have advocated that to the distributors and the distribution companies, but we became the supplier to Powercor basically because we offer a better product, and you can test that with them.

The DEPUTY CHAIR: That just conveniently aligns to maybe their interests.

Jonathon CLARK: We offer a better product because we have 10,000 EV chargers in the UK and we manage an estate where we must manage the maximum upside and downside. Our competitors did not have that advantage, so I would say that that is the reason why.

The DEPUTY CHAIR: That is totally fine. My very last question and with 1 minute left – you sort of answered this throughout, but if you could maybe crystallise it into a few crisp statements. Obviously we all have an interest in increased rollout of access points. What do you see as maybe, say, the top three inhibitors to rollout in Victoria?

Jonathon CLARK: I am never crisp in responses. I apologise for that. I think the rational economic position of where this should go is pretty clearly understood in different parts of the system. It is not without its complexities, and people find it hard to consider the impact as a whole rather than debating access to poles and things like that. To me, we have to get above that side. Then we have to create the right language that delivers this as a consumer benefit. How does the consumer benefit from the electrification of their vehicles? It delivers a 70 per cent saving on the cost of energy compared to an ICE car. If you then incentivise that, like the Con Edison case example, that reduces that 30 per cent to 15 per cent because that is the sort of incentive that can be delivered if you are not having to upgrade your grid. I think it is the ability to look at it as a whole, and I do not think the issues sit with the DNSPs; I think the issues sit politically and with the operators and regulators of the system, who have not found the right message to deliver this efficiency to consumers.

The DEPUTY CHAIR: That is a great answer, thank you. That is where we will finish the session. Thank you, Mr Clark, for your contribution.

Witness withdrew.