



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, TRANSPORT, AND CITY SERVICES
Ms Jo Clay MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Mr Mark Parton MLA

Submission Cover Sheet

Inquiry into electric vehicle (EV) Adoption in the ACT

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Attention: The Chair of the Standing Committee
Ms Jo Clay MLA.

Submission to the Inquiry into EV Vehicle Adoption in the ACT

Submission by: [REDACTED] – Trilogy Apartments, [REDACTED]

Summary

The Owners Corporation of [REDACTED] would like to thank you for the opportunity to contribute to the inquiry into EV Vehicle Adoption in the ACT.

On behalf of our Owners Corporation, we would particularly seek to address the following points;

- Planning laws and regulations and education and promotions in relation to charging infrastructure requirements in a variety of residential, public and commercial configurations and precincts
- ACT Government's role in providing charging infrastructure

Background

We represent a building where many lot owners are committed to emission reduction. Many owners are in a position where they have the financial means to consider conversion to ownership of an Electric Vehicle but are dissuaded in doing so, as charging facilities are not within a reasonable distance to their home.

Our building is relatively new in construction being around 5 years old. The building is one of the new entries in to the Woden precinct, where we have since been joined by one complex at the end of Irving Street and one partially completed building next door to us. Our complex is a multi-story dwelling and has 323 apartments across three buildings. The registration of Unit Titles was passed in July 2017.

We have 466 basement level parking spaces, all attached to lots and all occupied by private vehicles. There is some ancillary parking in common property, namely three disabled and four visitors parking spots, four short term one hour spots and a loading zone.

Within our basement levels, we have two void spaces that are used as car spots, these are utilized by our cleaners or service personnel.

There is no real opportunity to create any additional parking spots.

Our corporations parking plan is typical with blended occupancy of owner/occupier and rental lots, as well as some short-term holiday rentals.

The problems facing our building as we consider infrastructure for EV charging, are in no way unique, and would no doubt, be shared by, larger strata complexes.

What we have currently achieved to green our building.

As stated, our building would like to contribute to moving on a fossil fuel reduction. We have:

- Rectified sensor switches in each level corridors so as to switch completely off when there is no movement or activity present.
- Switching off the heaters to our outdoor swimming pool over the winter months between Anzac Day and Labor Day long weekend (for e.g. 26th April to October 3, 2022)
- Ensure that common road lighting is on a timer system so as to not draw charge after certain hours of an evening.
- Improved our Pool heating system, replaced heating parts so to reduce energy consumption and improve operation.

What has limited our building response to the uptake of EV vehicles?

Our building has experienced some unexpected costs as the results of rectifying past building quality and certification processes.

At the approval of the owner's corporation in 2020, we sought a structural engineer report to ensure that, in part, building and construction work next door was not compromising the structural integrity of our building

With some recent issues identified in some of our residences, we are again seeking a more specialist structural report to ensure that there are no underlying issues.

These rectification costs are significant and it is likely that at our next AGM our building will seek approval for a special levy to recoup expenditure in these one off costs.

In addition to this, as have many other buildings, we are facing an unknown faced cost from flammable cladding inspections. We are currently within the preliminary phases of this inspection to it is not understood what the downline fiscal impacts will be.

Through this issue, we have also faced rapid escalation of apartment insurance costs as our risk rating has reduced our choice of insurer to one whilst also increasing our building insurance by over 40% in the last three years.

Our owners have also experienced rate rises due to changing rate structure, which is influencing all strata owners.

The obstacles we face as a large strata building.

The obstacles to the uptake of EV vehicles are markedly different from those faced by owners of stand-alone properties or smaller strata buildings.

In their case, the primary decision made is around finances regarding the purchase of the car, the economics of conversion for them as individuals and the relatively small cost of installing charging facilities. Householders are supported in this decision by subsidies at the time of expenditure (the decision to purchase an electric vehicle) and through reductions in registration cost.

Apartment blocks must make very large contribution "up front", before any of our owners have decided on such a purchase.

These costs are not only for the cost of the equipment, but also flow on costs such as equipment repairs/maintenance, insurances, power and electrical conversions and any leasing costs where these are applicable.

These costs when added to the annual budget are likely to be a significant expenditure for the owner's corporation and may even be voted down on by the corporation at the Annual General Meeting.

Such a scenario, likely to play out across the many Strata dwelling in the Territory would be both counter product and anti-progress to the Territories EV uptake ambitions.

Owners Corporations are inhibited by planning difficulties around EV uptake.

Although owners can be polled on their intentions, this is in no way binding and many may not go ahead with a purchase. Adding to this complication is the fact that around 45% or more of complex may be tenanted on annual basis so the visibility of this is by no means clear.

Our initial investigations show the cost of installation in our strata block will be relatively expensive. Like many buildings, we have limited ability to draw in additional power without major works to power infrastructure.

Our building would require expensive works to ascertain current draw down capacity, to upgrade to the system to allow for charging and even then will be very limited in the percentage of cars that can be charged at any one time.

In addition, the lack of standardization of EV charging plugs complicates all planning and decision making for OCs.

There are moves currently underway in Europe to standardise systems, this may alleviate but it may also mean that systems installed now may require costly alteration in the near future.

OCs investment in EC infrastructure would likely consider this and may pause their EV charging intentions.

Some buildings may not have the capacity opt for a communal charging space; I understand that option is not available to either the Oaks next door to us or the Ivy complex down the road.

As previously stated, through our investigations our Owners Corporation is aware that the insurance and maintenance situation regarding installation of EV chargers needs to be clarified.

There is uncertainty around costs associated with damage to chargers, problems caused during the private installation of chargers on common property or damage caused during individual electrical connection.

It is also very unclear what additional insurance costs or imposts will result from the installation of chargers, particularly if an option is given to install on privately owned spaces.

There is also no certainty of the legal position of any "letter of conditions" or "conditions agreement" that the Owners Corporation may require from any owner seeking to install EV charging. All such letters are subject to dispute in ACAT so the Owners Corporation has no certainty that such an agreement will be binding.

In summary, the lack of certainty around installation will increase the reluctance of our OC and OC's in general to incur any additional expenditure involving large outlays and loans at this time. While many buildings are reeling under the impact of flammable cladding, building defect rectification and rising maintenance cost, the complications of EV charging infrastructure is an additional burden on volunteer Executive Committees time.

Additionally all Owners Corporations can expect resistance from owners to further strata levy increase, especially from owners renting out their apartments. Increases in other costs such as rates, and inflation rises within the construction industry (passed on as increased maintenance costs) have already seen strata levies rises, even in those buildings that have not had to impose special levies or take out rectification loans.

This is not a time when optional larger expenditures can be undertaken or sold to owners who do not live in the complex and have little interest in increasing the annual budget.

The support that would enable us to move forward

Currently, most schemes, advice and subsidies assume recipients are acting as individuals, whereas lot owners need to act as a collective. Subsidies to vehicle purchasers do not take into account many of the additional obstacles and costs incurred by the need for large-scale installation and this collective decision-making.

Beneficial Government actions/incentives

1. The provision of public charging stations adjacent to large apartment complexes or clusters of complexes. Our area in Woden for example has such capacity in the Phillip Oval carpark in Irving Street, there will be approximately 800 apartments in the vicinity when all construction is complete.
2. Extending current encouragement schemes to allow free assessments of buildings as to their current draw down capacity, the required upgrade to enable EV charging (with regard to the number of vehicles housed in the building) and free advice on the infrastructure upgrades that would be required.
3. A change to the current method of subsidy for installation of chargers away from the assumption that EV purchasers live in standalone houses. Enabled to benefit apartment buildings, schemes must assume the majority of costs will be incurred BEFORE, maybe years before, individuals may purchase an EV.
4. A change to the current subsidy scheme that assume that the most substantial additional cost is the purchase of the charger, to a scheme that recognises the up-front upgrading of infrastructure far exceeds this cost in large strata buildings
5. The change to any subsidy scheme to recognise that the majority of cost must be made upfront collectively. Regardless of the initial number of resident converting to electric vehicles.
6. The production of guidelines that assist Owners Corporations to plan effectively. OC's require very clear guidelines for installation and to understand the legal and insurance obligations that may arise.
7. Additional to assistance around initial installation, OC's require guidelines on the fair and reasonable administration of the system in a transitional phase where only a minority of owners may be gaining the benefit of installation through their ownership of EVs.

Invitation

The Trilogy EC would welcome the opportunity to talk with the Standing Committee or individual representatives to discuss this matter; we welcome you, should you wish to pursue an onsite visit. We feel that this would be beneficial in highlighting the practical difficulties in the search for a solution.

Yours in good faith, the Executive Committee of [REDACTED], [REDACTED].

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