6 December 2023

Climate Change Office
Renewables, Climate and Future Industries Tasmania

Via email: climatechange@recfit.tas.gov.au

Submission to the Consultation on Tasmania's Emissions Reduction and Resilience Plan for the Transport Sector

The Electric Vehicle Council (EVC) appreciates the opportunity to contribute to Tasmania's Emissions Reduction and Resilience Plan. The EVC is the national peak body for the electric vehicle (EV) industry in Australia. Our mission is to accelerate the electrification of transport for a sustainable and prosperous future. We represent members across the EV value chain in Australia, including car, bus and truck manufacturers, importers, fleet operators, charging infrastructure suppliers, network providers, battery recyclers, financiers and professional services.

Overview

Transport makes up almost one-fifth of Australia's emissions and 21% of Tasmania's emissions. The vast majority of this attributed to road transport, including passenger vehicles, heavy duty trucks, buses and light commercial vehicles.[1] Unfortunately, transport is also the greatest laggard when it comes to achieving our emissions reduction targets. Current projections suggest that without government action, Australia's transport emissions will likely be significantly higher than 2005-levels in 2030 – undermining the economy-wide target of a 43% reduction. This places undue pressure onto Australian farmers, manufacturers, energy suppliers, and other local businesses to offset transport-related emissions.

As the energy system rapidly decarbonises, it is likely that the transport sector will become Australia's top emitting sector in the near future. While much of the technology is already available to decarbonise transport, the challenge for this sector is time; specifically the amount of time it takes to turnover the vehicle fleet. As such, prioritising decarbonisation of this sector today will be crucial in achieving net zero emissions before 2050.

[1] https://recfit.tas.gov.au/tasmanias_greenhouse_gas_emissions.

Increasing Public and Active Transport

As noted in the draft plan, the expansion of Tasmania's public and active transport will be crucial to help address the state's transport-related emissions and reduce private car use. The EVC welcomes the initiatives introduced as part of Tasmania's Climate Change Action Plan 2023-25, which included the recent introduction of a $200,000 grant program to support Tasmanians in purchasing e-bikes or e-scooters. Coordinated investment in cycling and pedestrian infrastructure, coupled with educational awareness campaigns, can further support a shift towards more sustainable transport behaviours.

In addition to promoting the use of public and active transport through education and behaviour change programs, the Tasmanian government should prioritise a shift of the existing fleet to electric vehicles. Expanding the Zero Emission Bus Trial to prioritise BEVs, rather than focusing extensively on Hydrogen Fuel Cell Vehicles (HFCVs), can offer more immediate and cost-effective emission reductions when considering total cost of ownership, with long-term benefits far outweighing costs of initial investment in vehicles and requisite energy infrastructure at bus depots. The EVC suggests drawing insights from successful models in other Australian states and internationally, where the introduction of battery electric vehicles (BEVs) in public transport systems has progressed further. This includes battery electric bus deployments in the ACT[2], Queensland[3], New South Wales[4], Victoria[5], South Australia[6] and Western Australia[7].

Low Emissions Cars and Light Vehicles

Given the substantial contribution of light passenger vehicles to Tasmania's transport emissions, it is important that the sectoral plan prioritises initiatives to further accelerate the shift to EVs. As noted, the abundance of renewable energy generation in Tasmania further amplifies the environmental advantages of EVs over internal combustion engine (ICE) vehicles in terms of their overall lifecycle emissions. The EVC is highly supportive of the recently introduced $2,000 rebate, under the Climate Change Action Plan, towards new and used EVs up to a total of $750,000 or 375 rebates, along with the future provision under the Energy Saver Loan Scheme of interest-free loans between $500 and $10,000 to encompass home charging installations. The EVC recommends that these programs be continually assessed and expanded as needed to meet growing demand for EVs across the state and improve accessibility.

The Government should continue to advocate to the Federal Government for the introduction of strong fuel efficiency standards in 2024 to encourage the supply of more fuel efficient and electric vehicles into Australia.

---

[2] https://www.act.gov.au/our-canberra/latest-news/2023/may/more-electric-buses-for-canberra
[3] https://www.intelligenttransport.com/transport-news/146216/kinetic-expands-zero-emission-bus-fleet-queensland-government/
[4] https://www.transport.nsw.gov.au/projects/current-projects/zero-emission-buses
[5] https://www.premier.vic.gov.au/zero-emission-buses-accelerate-melbournes-west
[6] https://www.trucksales.com.au/editorial/details/scania-delivers-its-first-electric-bus-to-sa-govt-143661/
[7] https://www.pta.wa.gov.au/news/media-statements/first-year-of-electric-bus-travel-in-perth-a-success

Continuing expansion of the statewide charging network, particularly in rural and remote areas, will ensure broader accessibility and encourage statewide EV adoption. Collaborations with local businesses and councils for charging station installations will also serve to further enhance accessibility and inclusivity for Tasmanian drivers.

Low Emissions Heavy Vehicles

Following light vehicles, heavy vehicles constitute a significant portion of road transport emissions in Tasmania. Recognising that a shift to rail freight may offer emissions reduction opportunities, we acknowledge that this may not be feasible for all freight in Tasmania. To support operators in the state in transitioning to more fuel-efficient and electric vehicles where possible, the EVC recommends that the Government consider offering financial incentives such as grants, zero-interest loans, and targeted concessions to encourage the adoption of electric heavy vehicles.

The implementation of pilot projects and trials by the Tasmanian Government may further demonstrate the feasibility and benefits of electric heavy vehicles, tailored to Tasmania's unique context. This approach should include collaboration with industry for research and development on solutions, including charging infrastructure, and promoting information sharing and education through activities like drive days. Additionally, the Tasmanian Government should advocate to the Federal Government to develop a national strategy for freight decarbonisation to create a clear roadmap to address barriers to the electrification of freight and ensure regulatory harmonisation across all states and territories.

Supporting the Transition to Low Emissions and Building Resilience

Resilient Road Infrastructure:

The EVC acknowledges the Plan's focus on resilient road infrastructure, particularly in the context of adapting to climate-induced challenges. While the Plan touches on the potential impacts of the transition to EVs, we note that it is important to contextualise these issues within the broader need for infrastructure that can withstand the increasing frequency and intensity of extreme weather events.

The EVC recommends that, alongside assessing maintenance requirements and load limits, Tasmania should work collaboratively with other jurisdictions to develop evidence-based approaches to building and maintenance of resilient infrastructure. This could include sharing data on the impact of EVs on road and bridge assets and exploring innovative materials and construction techniques to enhance infrastructure resilience.

Skills Development:

Existing initiatives by TasTAFE, including the collaboration with the Tasmanian Minerals, Manufacturing and Energy Council Limited (TMEC) are commendable steps towards addressing future skills requirements in the EV sector. Expanding training courses and dual trade-based training for electrical and mechanical automotive technicians and apprentices

will help to support safe maintenance of EVs. The EVC suggests further collaboration with industry and educational institutions across Australia to standardise and enhance these training programs over time.

Electricity Supply and Bidirectional Charging:

The introduction of bidirectional charging presents a significant opportunity for integrating EVs into the energy system. We recommend that Tasmania actively participates in national discussions to promote opportunities for bidirectional charging, not only to enhance energy self-sufficiency but also to contribute to grid stability. The proposal to conduct a bidirectional charging trial in Tasmania may provide valuable insights into this technology's potential benefits for the energy system.

The EVC supports the Tasmanian Government's policy to accelerate the rollout of smart meters, targeting full deployment by 2026. This action will enable all Tasmanian consumers to take advantage of time-of-use tariffs, and the potential discounts these tariffs can deliver for on EV charging costs.

Safety and Battery Risks:

In addressing safety concerns related to EV batteries, it remains critical to clearly differentiate these from general battery fire risks (such as those from button batteries or e-scooters). As indicated in the Draft Plan, incidents of EV battery fires are exceedingly rare. The EVC recognises the importance of appropriate training for emergency responders and automotive industry workers to effectively respond to these unlikely events. It is also worth acknowledging the long history of road-registered vehicles equipped with high-voltage batteries, which have demonstrated a strong safety record over several decades, with more than 30 million EVs in operation globally as of 2023.

For more information, please refer to the EVC's recent submission to the NSW Inquiry on Electric and Hybrid Battery Safety. The EVC recommends that the Tasmanian Government continue to collaborate with other Australian states and territories in research and educational initiatives focused on the safe handling of EV batteries and avoid conflation with other classes of batteries which generally present greater risks.

Partnerships with Governments, Industry, and Other Stakeholders

The EVC encourages the Tasmanian Government to actively engage with a diverse range of stakeholders throughout implementation of the Emissions Reduction and Resilience Plan, including participation in interjurisdictional working groups under the National EV Strategy, led by the federal government. The successful implementation of the Plan is dependent on ongoing collaborative efforts encompassing all levels of government, industry partners, and other community stakeholders. In particular, the electrification and decarbonisation of heavy vehicles and ongoing innovation in infrastructure deployment to support V2G are areas where these sustained collaborative efforts can be particularly effective.

The Tasmanian Government should also play a role in supporting local councils in their transition towards EV adoption and infrastructure development, through financial assistance and guidance on fleet transitions, and coordinating development of more streamlined processes for approvals with respect to charging installations. By empowering local councils, the state government will be fostering community-level changes that are needed to achieve Tasmania's broader emissions reduction targets.

Summary

The EVC is committed to supporting Tasmania in its transition towards a more sustainable and resilient transport sector. We believe that with targeted actions, ongoing industry partnerships and intergovernmental coordination, and a focus on practical near-term solutions to support EV uptake and enabling infrastructure, Tasmania can achieve its emission reduction targets while ensuring a smooth EV transition. In summary, the Government should:

Key Recommendations:

- **Building on Current Efforts**: We recommend expansion of incentives for EV adoption across all transport segments (beyond light vehicles) and enhancing charging infrastructure. Supporting the integration of EVs into the energy system will also enhance existing efforts to lower emissions and build system resilience. Ongoing public education campaigns about the benefits and practicalities of EVs, including drive days, will also be important for improving community awareness and accelerating EV uptake.

- **Caution Against Overreliance on HFCVs**: While it is important to explore a range of low-emission technologies, we urge caution regarding an overdependence on future viability of HFCVs, especially for bus fleet transitions. Current global efforts are shifting towards BEVs in bus transitions due to their superior energy efficiency and lower operating costs.[8] A balanced approach that acknowledges the developing stage of hydrogen technology in the transport sector is advisable, particularly in the context of achieving requisite emissions reductions by 2030.

- **Ongoing Collaboration on Emission Reduction and Resilience**: Expanding existing collaborative efforts to allow more engagement with other jurisdictions (including the Federal Government) and incentivising industry participation in EV infrastructure development and coordination with Government policy development will be crucial for both emission reduction and resilience in Tasmania's transport sector.

If you have any questions on this submission, please contact Natalie Thompson, Senior Manager - Policy at: office@evc.org.au.

[8] https://thedriven.io/2023/11/13/second-french-city-dumps-hydrogen-bus-plan-for-cheaper-electric-buses/; https://www.hydrogeninsight.com/transport/french-city-that-pioneered-hydrogen-buses-will-opt-for-battery-electric-in-future-due-to-ongoing-problems-and-high-costs/2-1-1551821.

Thank you for your consideration of our submission.

Yours sincerely,

Behyad Jafari

Chief Executive Officer

Electric Vehicle Council