

Consumer Policy

NSW Fair Trading

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OCN response to Discussion Paper- Regulation of e-bikes, e-scooters and other Li-ion battery powered micromobility vehicles

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Introduction

OCN welcomes the opportunity to provide input into the discussion paper on the Regulation of e-bikes, e-scooters and other Li-ion battery powered micromobility vehicles.

The Owners Corporation Network of Australia Limited (OCN) is the independent peak consumer body representing residential strata and community title owners and residents. As such, OCN is uniquely positioned to understand the needs and constraints within this unique housing sector, as well as to advise on the potential impacts that legislation may have on planning, development, and day-to-day operational outcomes. OCN are experts in residential strata, hence our comments relate to what our members are seeking.

OCN strives to create a better future for residential and community living and ownership. We support the transition to resilient, empowered communities living in climate ready, defect-free buildings, including solar, e-mobility and electric vehicle charging.

The Strata sector

Policies of successive governments to accelerate urbanisation and to cater for population growth have driven a significant shift to multi-household developments:

- There are 89,049 strata schemes in NSW of which 50% have been built since 2000¹;
- Over 1.3 million people and 17% of all households live in strata apartments;
- There has been 7% growth in the last two years;
- It is the best option for affordable housing and recent strategies will drive this even harder;
- Total insured value is estimated to be over \$450 billion;
- It employs over 3,200 people and total economic benefit of about \$3 billion per annum;
- Strata schemes in NSW are split 60% City 40% regional;
- 47% of apartments are rented, but tenants have no voting rights.

Strata living is not at all like living in a stand-alone house. It is a community with a co-owned asset. Few people realise that each owner bears unlimited joint and several liability for any damage, injury or death that may occur on all common property. Thus, individual actions can significantly impact other owners and residents physically and financially.

The owners corporation or body corporate is a statutory corporation, responsible for the management of the strata scheme, with unlimited liability and mandatory obligations to manage finances, hold building insurance and strict obligations to carry out repairs and maintenance.

Case for Change

The risk of fire related incidents in one apartment is potentially multiplied over the whole building, as such any risk is a community risk, rather than individual risk as is the case in a standalone home.

OCN works with experts like EV FireSafe to understand the facts related to e-micromobility and li-ion battery fire risk. We have held expert webinars in the subject and caution against overreaction. We are very aware of the intensity of and increasing numbers of micromobility related battery fires, and calls for banning of such products in apartment buildings.

The discussion paper references FRNSW reports of 285 incidents and 2 deaths from 250,000 devices. There is also the shock value and press attention to these incidents, which increase the FUD – fear, uncertainty and doubt, in the community.

It is useful to consider this in the context of the impacts of climate change. Just one climate change related event – 2019-2020 bushfire season burnt almost 19 million hectares, destroyed over 3,000 houses and killed 33 people. Total economic impact was estimated to be \$4.6 billion reduction in GDP. 2019 is classified as Australia's warmest year on record.² There were a further 88 people thought to have died from bushfire related illnesses. And this is just one example.

The point of including this reference is to highlight the need to maintain focus on the bigger picture of creating a better, cleaner future that e-mobility helps to provide. Particularly in higher population centres, where apartment living prevails, it is critical we work to ensure these new transport options to reduce congestion and pollution are not restricted or rejected but enabled and embraced.

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https://cityfutures.adfa.unsw.edu.au/documents/717/2022_Australasian_Strata_Insights_Report.pdf

² Pp 22. https://treasury.gov.au/sites/default/files/2021-05/171663_suncorp_group_ltd_supporting_documents_1.pdf

OCN congratulates consumer policy group's risk mitigation approach by addressing the real issue of improving regulation to weed out the real cause of the fire problem which are the bad actors and lack of regulation in the industry, so that e-mobility is allowed to make its rightful and important contribution.

Consumer Education

OCN supports the need for further consumer education and makes the case that it is even more important in apartment living due to the multiplying impact of a building fire. Bad behaviour by just one person can, and does, impact many others. This is an example where apartment living needs to be considered and acted on as a special case.

By-laws

By-laws set the rules under which the strata community operate. With respect to e-mobility, there is a wide range of opinion relating to applicable by-laws, often determined by the views of a few influential people who form the strata committee of the various strata schemes. In the instance of e-mobility, this is often reflected in bans of e-mobility devices in their building, which also extends to electric vehicle charging. To fully address the cleaner future previously referred to, this resistance does need to be addressed.

OCN has held, and been involved in, a number of educational webinars on this overall subject, where we communicate the views and approaches included in this submission.

We have developed, and make available through our website, a template by-law aimed at educating and establishing rules relating to:

- Safe charging practices
- Compliant e-bikes and e-scooters
- Internal vs external charging of devices
- Notification/ register of e-mobility devices
- Liability

We would welcome a discussion on the application and use of this, or like by-law, as a template by-law for general use by the Government to assist in the process of consumer education.

Storage and Charging

Perhaps the most significant risk to person and property is storage and charging of e-mobility devices internally, often in corridors and fire exit paths, which is a potentially lethal combination in the event of a Li-ion battery fire.

There are battery box or fire safe alternatives available however we are not aware of or if there are any associated standards. Medium/Large buildings often have bicycle storage, but to date this has not expanded to include e-mobility devices. We have had enquiries from our members if there are any design guidelines for safe charging, including e-mobility storage and charging rooms.

Properly designed and implemented storage and charging options will go a long way to reducing this risk high risk and, potentially, decreasing ever growing insurance concerns and premium increases.

Similar to discussion on the use of by-laws, OCN would welcome further discussion on storage and charging safety options, approaches and regulation.

Responses to Questions

OCN are experts in residential strata, hence our comments relate to what our members are seeking – which in this case is consideration of e-micromobility ownership and charging in existing apartment buildings.

Questions 1, 2 & 4 – Standards

OCN are not expert in standards and rely on those who are. We support the input from Bicycling Australia and Zipidi.

We think there is merit in the inbuilt authentication of the CSIRO developed CREDZ system.

Question 3 - Which option for the declaration of e-micromobility vehicles detailed in section 1.3.3 do you support? Why /why not?

We support option B, separate declaration, as it will better enable regulation of modifications to e-mobility devices.

EV FireSafe and other analysis shows that unregulated and modified devices pose the biggest fire risk.

While option B does offer some safeguards, we are of the view that further regulation of “do-it-yourself” modifications is in order. For example, there are wide-ranging regulations and testing criteria relating to the modification of road registered motor vehicles but understand that compliance is easier to manage in that more formal environment.

A first step is establishing a set of regulations relating to modifications of e-mobility. There are strict regulations relating to electrical and plumbing work regarding licencing those who can do that work, but similar to this circumstance, compliance checking is somewhat limited. We are not suggesting licensing, just the establishment of some related regulation with the understanding that compliance is difficult – but having the regulation in place is at least a disincentive.

Penalties for non-compliance could be used both a disincentive and applied in the event it is determined by experts to be the cause of a fire or other damage.

Rules could include:

- It is an offence to modify or otherwise enhance the operation of an e-mobility device motor, battery, battery charger or management system.
- Any modifications or changes must be within the conditions laid out in the standards applicable to the device motor, battery, battery charger or management system.

This approach clearly requires more thought, but establishing a principle that modifications to these devices creates an increased fire risk is important. Regulation is a potential mechanism to help educate on and control that risk.

Question 5 – Sell through period.

Again this question does not relate to OCN’s remit – so we support advice from the industry.