



15 January 2026

Submission: AEMC Rule Change to establish a regulatory framework for retail customer-initiated gas abolishment – Draft Determination

The Australian Pipelines and Gas Association (APGA) represents the owners, operators, designers, constructors and service providers of Australia's pipeline infrastructure. APGA members ensure safe and reliable delivery of over 1,500 PJ/pa of gas consumed in Australia alongside over 4,500 PJ/pa of gas for export.

APGA welcomes the opportunity to provide further comment on the Australian Energy Market Commission's Draft Determination on establishing regulatory framework for retail customer-initiated gas abolishment.

The rule change request was made to address perceived inadequacies in cost recovery for abolishing gas connections in the context of an assumed linear "gas in decline due to electrification" narrative. APGA disagrees that gas connections will necessarily continue to decline in every jurisdiction, and that electrification policies are the proximate cause.¹ Nevertheless, there are cost recovery inequities that must be addressed, both for gas connections and abolishments.

The preferable draft rule follows the same principles as the draft rule identified by the AEMC in October to amend the National Gas Rules to charge newly connecting retail gas customers cost-reflective connection charges upfront. That is, users should pay the prudent and efficient cost of connections and abolishments they initiate; and that socialising those costs is no longer fit for purpose. In putting responsibility for the cost of both connections and abolishments to the customer, the AEMC also appropriately places both these types of expenditure on equal footing.²

In making its preferable draft rule, the AEMC has maintained its commitment to consumer protection while avoiding changes that would introduce inefficiencies. The new framework will help ensure that customers are supported to make informed decisions around abolishing their gas connections, and the costs they may be expected to pay.

¹ APGA, 2025, *Submission: Gas Networks in Transition*, <https://apga.org.au/submissions/aemc-gas-networks-in-transition>

² APGA, 2025, *Submission: Updating the regulatory framework for gas connections*, <https://apga.org.au/submissions/aemc-updating-the-regulatory-framework-for-gas-connections>

APGA supports the AEMC's draft decision to make a preferable rule change to establish a regulatory framework for retail customer-initiated gas abolishment.

To discuss any of the above feedback further, please contact me on +61 409 489 814 or crfael@apga.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Catriona Rafael', with a stylized, overlapping loop at the end.

CATRIONA RAFAEL
Head of Policy
Australian Pipelines and Gas Association