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15 January 2026

Ms Alisa Toomey  
Director  
Australian Energy Market Commission  
GPO Box 2603  
Sydney NSW 2000

Submitted electronically

Dear Ms Toomey,

**Re: Establishing a regulatory framework for retail customer initiated gas abolishment  
(National Gas and Energy Retail Rule Amendments 2025) (GRC0086)**

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to respond to the Australian Energy Market Commission's (the Commission's) draft determination on a regulatory framework for retail, customer-initiated, gas abolishment.

Consumers are being encouraged by policymakers to consider electrification of residential and business appliances by a broad range of policy objectives across the NEM including, in some instances, explicit prohibitions on gas use and disconnections. This raises a need for clear communication of a consumer's options when disconnecting or abolishing a gas service. Consumers must understand the implications of a decision to cease using gas, including the scale and cost of any work necessary to ensure a site remains safe.

The new information provision requirements complement the new services being proposed and will improve comprehension of the work requested and provided by the distributor, and under which circumstances each service may be provided.

Red and Lumo support the Commission's intent to provide outcomes based definitions of abolishment and disconnection services in the NGR and NERR. However, we have concerns with the proposed definitions and how they interact with existing definitions and the NERL. As the Commission notes, relevant distributors are already offering disconnection services as a reference service and the Australian Energy Regulator (AER) has the power to require distributors to offer a disconnection service as a reference service. We encourage the Commission to further consider how temporary and permanent disconnection services are defined, with specific references below. This is the primary focus of our submission.

Noting the effective date of Schedule 1 of the draft determination, Red and Lumo also recommend the Commission consider that retailers will require sufficient time to implement the information provisions following each distributor's publication of the relevant material.

We would also like to address an incorrect assertion in Figure 3.3 of the draft determination which suggests that a retailer has no ongoing liability to pay the daily fixed charge after a customer requests a disconnection service. While this may be true following permanent disconnection services e.g. abolishment, distributors in South Australia, Queensland and NSW do charge retailers following the completion of temporary disconnection services.

### **Potential conflict between NERL *customer connection service* and proposed NGR *disconnection service***

There appears to be a conflict or at least duplication between the existing NERL definition for *customer connection service* and the new term NGR *disconnection service* which both consider de-energisation. The proposed definition for the disconnection service describes a service for closing a connection at a retail customer's premises. This is already considered by the NERL, which refers to a *customer connection service* 'including (but not limited to) the energisation, de-energisation or re-energisation of the premises;' where de-energisation is '(b) in the case of gas—the closing of a connection, in order to prevent the flow of energy to the premises.'

### **Potential conflict between NERL *connection alteration* and proposed NGR *abolishment service***

Red and Lumo note that the existing NERL definition of *connection alteration* which considers 'any other kind of alteration' may already consider abolishment of the service as an alteration service. Introducing the abolishment service introduces duplication and or ambiguity in the NGR if this is not clarified.

### **Potential conflict between NERR Schedule 1 and proposed NGR *disconnection***

The existing NERR Schedule 1 (Simplified explanation of terms) does not distinguish between temporary (disconnection) and permanent (abolishment) and will consequently need to be amended. It currently describes *disconnection* as '...an action to prevent the flow of energy to the premises, but does not include an interruption;'. However, the proposed NGR definition extends this to consider that disconnection '... does not involve removal of the connection, such that the flow of gas can be re-established...'

### **Problematic definition of *disconnection service* which excludes a retailer from requesting the closure of a connection to prevent the flow of gas.**

There are circumstances where a retailer is obligated or required to request the closure of a connection, particularly if there is no current retail customer at the premises. However, the

proposed definition for *disconnection* defines the service ‘at the request of the retail customer at the premises’, excluding the retailer from being able to request the disconnection service.

The same concern applies to the proposed definition of an abolishment service, which suggests that it can only be applied for by a retail customer or a person acting on behalf of a retail customer.

The current definition for a connection service is not defined as a request by a customer because there are circumstances where the service may be requested by a retailer, as described in the NERL. Red and Lumo recommend that the Commission amend the proposed definitions to use similar phasing which does not limit the service ‘at the request of the retail customer at the premises’.

### **Problematic definition of *connection* when considering the practical flow of gas to a customer’s premises.**

The proposed NGR definition of *connection* refers to ‘a physical link... that allows the flow of gas...’ which differs from ‘a physical link... to allow the flow of gas.’ We consider the term ‘that allows’ to indicate a current, active flow of gas, where the current phrasing which uses ‘to allow’ considers that the physical link provides the capability, but not the current, flow of gas. The physical link is the service line which delivers gas to the customer’s premises, however this line does not allow the flow of gas until a meter is fitted. We recommend the Commission amend the proposed definition which includes ‘a physical link... to allow the flow of gas.’

We note also that the proposed definition of *connection* considers a ‘premises’ rather than a ‘customer’s premises’ which is the existing term, and the term used by the proposed definitions for *disconnection* and *disconnection service*. The reason for this variation is unclear.

In closing, we note the NERR places the choice of disconnection service in the consumer’s hands unless there are safety reasons for the distributor to disconnect, or a consumer fails to pay for the service. We encourage the Commission to continue to engage with jurisdictional governments and inform them of the Commission’s insight and deliberation on this consultation. This will ensure that jurisdictional gas safety regulation appropriately considers what is required to make a disconnected gas service safe in the context of the new Rules.

### **About Red and Lumo**

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail electricity and gas in New South Wales, Queensland, South Australia, Victoria and in the ACT to over 1.6 million customers.



Red and Lumo thank the Commission for the opportunity to comment on the draft rule determination. Should you wish to discuss or have any further enquiries regarding this submission, please call Sean Jennings, Regulatory Manager on 0403 846 585.

Yours sincerely

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