



15 January 2026

AEMC

Lodged via AEMC website:

Dear AEMC,

## RE: National Gas Abolishment Framework

Powershop and Shell Energy Australia Pty Ltd (Shell Energy) welcome the opportunity to provide feedback to the Australian Energy Market Commission (AEMC) on the Draft Determination and Draft Rules to amend the national gas rules (NGR) and national energy retail rules (NERR) to create a new regulatory framework for retail customer-initiated gas abolishment. We understand feedback will inform the development of this framework and we look forward to working with the AEMC in ensuring the new framework is fit for purpose and designed effectively as we move through the energy transition and we see more homes switching to electricity and requiring gas abolishment.

### About Shell Energy in Australia

Shell Energy is Shell's renewables and energy solutions business in Australia, helping its customers to decarbonise and reduce their environmental footprint.

Shell Energy delivers business energy solutions and innovation across a portfolio of electricity, gas, environmental products and energy productivity for commercial and industrial customers, while our residential energy retailing business Powershop, acquired in 2022, serves households and small business customers in Australia.

As the second largest electricity provider to commercial and industrial businesses in Australia<sup>1</sup>, Shell Energy offers integrated solutions and market-leading<sup>2</sup> customer satisfaction, built on industry expertise and personalised relationships. The company's generation assets include 662 megawatts of gas-fired peaking power stations in Western Australia and Queensland, supporting the transition to renewables, and the 120 megawatt Gangarri solar energy development in Queensland.

Shell Energy Australia Pty Ltd and its subsidiaries trade as Shell Energy, while Powershop Australia Pty Ltd trades as Powershop. Further information about Shell Energy and our operations can be found on our website [here](#).

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<sup>1</sup>By load, based on Shell Energy analysis of publicly available data.

<sup>2</sup> Utility Market Intelligence (UMI) survey of large commercial and industrial electricity customers of major electricity retailers, including ERM Power (now known as Shell Energy) by independent research company NTF Group in 2011-2021.

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## General Comments

As more customers are choosing to electrify their homes, the need for customers to abolish their gas connections is increasing. Powershop receives calls regularly requesting either disconnection or abolishment and we understand that given the sharp and expected continued increase in these requests, the framework needs to be amended to ensure it is fit for purpose as we move through the energy transition. We understand that the implementation of the new framework will take place in phases from 2027, with distributors' key obligations to commence at the start of each network's subsequent access arrangement and information provisions would take effect earlier, in August 2026.

## Definitions

We support the inclusion of new definitions for disconnection, disconnection service and abolishment service and agree that the new definitions will provide greater clarity for customers and retailers and will better inform education around gas disconnection and abolishment. In addition, the new definitions will lead to greater opportunity for Distributors and Retailers to support customer requests in relation to gas disconnection and abolishment.

## Information Provision Requirements

The Draft Determination outlines that the new framework includes a requirement for distributors to provide information on disconnection and abolishment services on their websites. Powershop and Shell Energy support this proposal and encourage the AEMC to obligate distributors to provide clearer and more accessible information on distributors' websites to explain the difference between a disconnection and an abolishment, as well as to outline the associated prices (including consideration of the recent C rule changes related to up-front abolishment costs<sup>3</sup>). Jemena provides a strong example of this, with website content that includes guidance on meter removal safety and the penalties that may apply<sup>4</sup>. It is also common for customers to contact their distributor first, and we frequently find that many customers are not aware that they need to formally abolish their gas connection. For these reasons, improved education and clearer definitions are essential.

Section 26 proposes that the draft retail rule would require a retailer to provide general information about the availability of services and the differences between them if a customer is seeking to terminate its retail contract or otherwise enquiring about disconnection or abolishment services. We understand that this is a draft rule for retailers however, we recommend the obligation for information provision should primarily be on the Distributor, and retailers could point to the Distributors websites for the correct information. This would ensure that the information is consistent with the relevant Distributor and there is no confusion.

### 3.3.1. Model standing offer for basic abolishment service

We support the new draft gas rule requiring distributors to develop a model standing offer for a basic abolishment service, to be approved by the AER, and agree with the proposed information that should be included in that offer. However, while the AEMC has suggested incorporating timeframes for commencing and completing the work, we consider that the current drafting is too broad and that the timeframes should be made more specific.

<sup>3</sup> AEMC makes changes to gas connection charges to support transition to net zero | AEMC.

<sup>4</sup> jgn-meter-removal-safety-announcement.pdf



For example, when a customer notifies their retailer that they require their gas connection to be abolished due to an upcoming demolition, the current abolishment timeframe is a 20-business-day window. Because this window does not specify an actual scheduled day, customers have no certainty about when the abolishment will occur.

This lack of scheduling also results in access issues. Customers may not be onsite and cannot prepare for the visit without being informed of the specific date. In many cases, there appears to be no clear schedule provided, making it difficult for customers to ensure access is available. We strongly suggest that the AEMC specify timeframes for distributors to commence and complete the gas abolishment works.

## Large Commercial and Industrial Customers

Gas retailers face significant challenges when large commercial and industrial customers initiate gas abolishment. The process is often costly and time-consuming due to lack of rigorous process for managing gas abolishment. This absence of clear frameworks leads to delays, uncertainty, and inefficiencies that impact both customers and retailers. To address these issues, we recommend the AEMC introduces a formal process for Distributors with defined steps and a mandated timeframe for completion—such as requiring network operators to acknowledge requests within five business days and complete abolishment within a set period (e.g. within 30 days). Establishing these requirements on Distributors would improve transparency, reduce costs, and provide certainty for all parties involved.

In addition to these operational challenges, customers continue to incur fixed network charges during the abolishment process, even when they are no longer consuming gas. This creates an inequitable situation where customers pay ongoing fees for a service they have effectively ceased using, further increasing the financial burden of moving sites or transitioning away from gas. A clear and timely abolishment process, along with requirements on network operators to limit fixed charges post an abolishment request, would minimise these unnecessary costs and ensure that charges reflect actual service usage, supporting fair outcomes for customers and retailers alike.

## Conclusion

We welcome the opportunity to discuss our submission further. Please contact Tessa Liddelow at [tessa.liddelow@shellenergy.com.au](mailto:tessa.liddelow@shellenergy.com.au) for any queries regarding this submission.

Yours sincerely

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