



Australian Energy Market Commission
Reference: GRC0086

11 December 2025

Re: Establishing a regulatory framework for retail customer-initiated gas abolishment

The ten Member Councils of the Hunter Joint Organisation (JO) welcome the opportunity provided by the Energy Consumers Australia (ECA) and the Justice and Equity Centre (JEC) to provide feedback on the proposed rule amendments to amend the National Gas Rules (NGR) to update the pricing and regulatory framework for gas connections and disconnections.

Member Councils of the Hunter JO include:

- Cessnock City Council
- Dungog Shire Council
- Lake Macquarie City Council
- Maitland City Council
- MidCoast Council
- Muswellbrook Shire Council
- City of Newcastle
- Port Stephens Council
- Singleton Council
- Upper Hunter Shire Council

We provide the following feedback on the two rule change requests that are proposed.

1. Updating the framework for gas connections

The proposal by ECA to amend the National Gas Rules (NGR) for customer-initiated new gas connections would more accurately reflect the cost of providing new connections to existing distribution networks. This reform would support fairness, transparency, and alignment with broader government energy transition objectives and support businesses and households to make more informed decisions regarding the true cost of alternative energy supply options. More accurately reflecting the price of connection to existing networks would provide accurate price signals and prevent cross-subsidisation from existing users, particularly those choosing to reduce their reliance on gas.

Currently, connection costs are socialised while the much higher costs of permanent disconnection are not. This imbalance incentivises new connections and penalises disconnection, which can undermine equitable outcomes. Clearer and transparent connection pricing would support customers more effectively evaluate the relative costs of alternative energy supply options.

2. Establishing a regulatory framework for gas disconnections and permanent abolishment

JEC's proposed reforms would establish clear definitions for disconnection services, enable contestability, and introduce cost-reflective pricing.

At present, the lack of a permanent abolishment framework is a significant gap for households and businesses as they move to electrify. Without clear rules and transparency, existing abolishment charges risk exceeding cost-reflective levels, thereby discouraging customers from leaving the network to access alternative energy supply options that can reduce business and household emissions and long-term energy costs. The proposed change would assist in delivering

fair and affordable energy transition for local communities, which is an objective across all levels of government. While cost recovery is necessary, charges must be transparent and contestable where possible and structured to facilitate the energy transition.

Summary

1. **New Connections.** An amendment to National Gas Rules to require new gas connections to more accurately reflect the cost of connection would provide more accurate pricing comparison across alternative energy supply options.
2. **Permanent Disconnections.** Charges for permanent disconnection should be fair and not cost-prohibitive, to remove obstacles for business and households wanting to electrify.
3. **Regulatory Framework.** A new regulatory framework for both permanent and temporary gas disconnections, would enhance equity for low-income and renting households.

Should you have any further queries please don't hesitate to contact Janine Chandler, Senior Project Coordinator – Net Zero on E janinec@hunterjo.nsw.gov.au or M 0477 398 250.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'SR Moore'.

Sue Moore
Mayor Singleton Council
Chair Hunter Joint Organisation