

15 December 2025

Office of the Chief Executive Officer

Reference File: 25/257514

Australian Energy Market Commission (AEMC)  
Level 15  
60 Castlereagh Street  
Sydney NSW 2000

Dear Sir/Madam

**SUBJECT                      Blue Mountains City Council (BMCC) submission to  
establishing a regulatory framework for retail customer  
initiated abolishment (GRC0086)**

The AEMC's draft rule proposes that exiting customers should pay the direct cost of disconnecting their property from the gas network. These costs can be significant and may create a financial barrier for residents, particularly low-income households, seeking to reduce their energy bills and carbon footprint.

The Blue Mountains community is highly engaged on climate action, and many residents are actively seeking to electrify their homes.

High disconnection costs present a significant financial barrier for Blue Mountains residents wishing to transition from gas to all-electric homes, undermining efforts to reduce cost-of-living pressures and community-wide emissions.

At the ordinary meeting of Council 25 November, 2025 it was resolved that:

1. That the Council notes the Australian Energy Market Commission's (AEMC) draft determination, "Updating the regulatory framework for gas distributor services – exit of a single customer," which proposes a framework for gas disconnection but requires customers to pay the direct cost;
2. That the Council acknowledges that high disconnection costs present a significant financial barrier for residents wishing to transition from gas to all-electric homes, undermining efforts to reduce cost-of-living pressures and community-wide emissions; and
3. That the Council prepares a submission to the AEMC's consultation process, advocating for the following principles:
  - a. That any disconnection costs passed on to residents must be strictly limited to the direct, verifiable, and unavoidable costs of the physical disconnection work.



- b. That robust consumer protections are implemented to ensure full cost transparency and prevent gas networks from recovering lost future revenue or other indirect costs through disconnection fees.
- c. That specific consideration be given to support mechanisms or concessions for low-income households and vulnerable customers to ensure the energy transition is equitable and just.
- d. That the AEMC and the NSW Government explore alternative models for funding decommissioning the gas network that do not unfairly burden individual households making an early switch.

Minute No. 280

Thank you for your consideration of this submission.

Yours faithfully

A handwritten signature in black ink, appearing to read 'R. Dillon', followed by a period.

ROSEMARY DILLON  
Chief Executive Officer