

11 February 2026



AEMC

Level 15

60 Castlereagh Street

Sydney NSW 2000

**RE: Submission on EPR0097: Electricity pricing for a consumer-driven future**

I am writing as the CEO of an Australian energy storage business actively involved in deploying residential and commercial battery systems. We strongly oppose the Australian Energy Market Commission's draft proposal to shift electricity network pricing toward predominantly fixed charges.

At a high level, this proposal materially undermines the core policy objective of encouraging efficient, consumer-led investment in distributed energy resources. It weakens price signals, penalises households that have already responded to those signals, and introduces further policy instability into a market that is already struggling with uncertainty. Most concerning, the proposal appears counterintuitive to one of the Commonwealth Government's most successful and widely supported energy policies — the Cheaper Home Battery Rebate. This program is explicitly designed to encourage household investment in batteries and demand-shifting behaviour.

Households and businesses have invested in solar and battery systems on the basis of clear and repeated government messaging: that reducing demand on the grid, shifting usage, and investing private capital in clean energy infrastructure would be rewarded through lower bills and faster payback. Moving to largely fixed and unavoidable network charges retrospectively erodes those assumptions. For existing solar and battery households, this is not a theoretical concern — it represents a direct reduction in the value of investments already made in good faith.

From an industry and investment perspective, the consequences are significant. Fixed network charges extend system payback periods, reduce customer confidence, and make it materially harder for businesses to justify hiring, inventory investment, and long-term planning. As a CEO, the most damaging aspect is not any single policy change, but the cumulative effect of continual rule changes. Businesses cannot responsibly deploy capital, build supply chains, or grow skilled workforces when the economic foundations underpinning customer decisions are repeatedly altered after the fact. With the impending closure of the coal fired power fleet, networks face increased costs to handle bidirectional energy flows from decentralised renewable energy sources resulting in infrastructure upgrades. Upgrades that should have been completed years

ago. There will be supply gaps, there will be increased volatility and there will be more outages. Investors and businesses made the decision to strategically deploy assets, make significant investments and most importantly create jobs within the solar and batteries industry, all at the urging of government to help ease the burden on the grid. Penalising investors and business with a significant policy change will further erode trust and credibility for future investment.

There are also serious equity implications. Fixed charges disproportionately affect low-consumption and lower-income households, who have fewer options to mitigate unavoidable costs. They blunt incentives for efficient energy behaviour and undermine the principle that consumers who reduce peak demand and invest in supporting the grid should be rewarded for doing so.

Australia's clean energy transition relies heavily on private capital flowing into distributed assets — solar, batteries, and demand-side participation. Policies that reduce the responsiveness of electricity bills to consumer behaviour directly weaken that transition. If this proposal were to proceed, it would signal to households and investors alike that responding to government and regulatory incentives carries unacceptable long-term risk.

We urge the Commission to reconsider this approach and to retain network pricing structures that preserve meaningful, usage-based signals. Stability, predictability, and fairness are essential if Australia expects households and businesses to continue investing their own capital in support of a consumer-driven energy future.

Regards

A handwritten signature in blue ink, appearing to read 'Nic Mercer', written in a cursive style.

Nic Mercer  
Chief Executive Officer