



AEMC Review

The Australian Energy Market Commission is reviewing the structure of national energy pricing, with the stated objective of ensuring a fairer pricing system with lower overall costs.

Electrify Southside

Electrify Southside is an independent not-for-profit community-driven initiative dedicated to helping households, businesses, and local communities transition to an all-electric, fossil-fuel-free future.

We are community volunteers from the cities of Port Phillip, Glen Eira and Bayside in the south east suburbs of Melbourne, Victoria. We are working to empower residents with the knowledge, tools, and support they need to electrify their homes and lives.

In 2025, we ran an Electrify Expo at the St Kilda Town Hall on Sunday 22 June. Over 850 people attended, most of whom are now on our mailing list.

Electrify Southside is non-partisan and has no affiliations with any political party.

The Review

Recommendations 1 to 4 and 6 appear to improve the ability of customers to access competitive electricity offers.

Recommendation 5

However, recommendation 5 is seriously concerning to Electrify Southside.

Recommendation 5 would enable higher network charges by increasing the proportion of energy bills dedicated to the unavoidable daily fees we all pay for poles and wires. This will

particularly impact on people who have made great efforts and gone to expense to better manage electricity use by installing solar and batteries.

In practice, this will mean:

- higher unavoidable daily charges for everyone,
- lower charges for the amount of grid energy used,
- electricity bills that are less flexible, and discourage energy conservation,
- you will be discouraging future household investment in renewables.

It is disingenuous to describe this as “fairer cost sharing”. What it does is to penalise those who have done the heavy lifting to bring renewables into our energy system.

Who is penalised?

Higher fixed charges hit the people who already use the least electricity or have invested their own money to install rooftop solar and batteries.

In the cities of Port Phillip, Glen Eira and Bayside, this will include:

- people living in energy-efficient homes
- low-income households, who by necessity use less energy
- renters and apartment residents
- retirees and single-person households
- people who have installed solar and battery at significant cost.

Who benefits from higher fixed charges?

While households lose flexibility and control, network service providers will reduce their risks and gain more consistent revenue.

These network service providers are regulated monopolies. Increasing fixed charges protects these companies from changes in consumer behaviour even when those changes are lowering system costs.

Increasing fixed network charges is an unintelligent retrograde step — one that disincentivises innovation, and financially penalises the innovators at exactly the wrong time.

Conclusion

Electrify Southside strongly opposes Recommendation 5 on the grounds that an increase in the proportion of fixed charges in energy bills will:

- Unfairly penalise low-income households
- Financially impact people who have invested in solar and batteries
- Discourage innovation by energy providers
- Discourage further household investment in renewable energy
- Will work against existing government policy addressing climate change.

On behalf of Electrify Southside

Deborah Sykes

Convenor

electrifysouthside@gmail.com

Richard O'Byrne

Committee Member

richard@richardobyrne.com.au

Copies:

Hon Chris Bowen MP, Federal Minister for Climate Change and Energy

Josh Burns MP, Federal Member for Macnamara

Tim Wilson MP, Federal Member for Goldstein

Clare O'Neil, Federal Member for Hotham