

Zero Emissions 4075 Inc Submission on Proposed Electricity Network Pricing Reforms

Thank you for the opportunity to provide feedback on the Australian Energy Market Commission's proposal to shift households toward predominantly fixed electricity network charges.

Zero Emissions 4075 (ZE4075) is a volunteer-led community organisation working to accelerate electrification, reduce emissions, and support energy affordability across the 4075 post code of Brisbane. Our community includes a diverse mix of households—renters, retirees, young families, apartment dwellers, and homeowners at various stages of the energy-transition journey. Many have made significant efforts to reduce energy use, adopt efficient technologies, and participate in demand-side programs. Others face barriers that make affordability and access ongoing challenges.

On behalf of our members, we wish to express serious concerns with the proposed shift toward higher fixed network charges.

1. Misalignment With Community-Level Decarbonisation Efforts

ZE4075 has spent several years supporting local households to reduce energy use, shift demand, and invest in efficient technologies. These efforts are only meaningful when **electricity pricing provides clear incentives** for responsible consumption.

A move toward predominantly fixed charges weakens the link between household behaviour and energy bills. For our community, this would result in:

- Reduced motivation to adopt efficient appliances
- Less incentive to manage peak demand
- A weaker business case for household electrification

These outcomes directly undermine the work organisations like ours undertake to help Queensland meet its decarbonisation targets.

2. Impacts on Vulnerable and Low-Consumption Households in the 4075 Area

Within our region, many residents fall into categories that would be disproportionately affected by rising fixed charges:

- Renters unable to install solar or batteries
- Older residents on fixed incomes
- Apartment dwellers with limited ability to control common-area inefficiencies
- Low-consumption households already practising careful energy use

These groups already face affordability pressures. By raising unavoidable costs, the proposal risks entrenching disadvantage and reducing participation in the energy transition—exactly the opposite of what is needed.

3. Behaviour-Change Risks and Loss of Public Trust

Our experience working directly with households has shown that **people will change their energy behaviours when the incentives are clear**.

If higher fixed charges dilute these incentives, households may understandably conclude that their efforts “don’t matter.” This would reduce participation in demand-shifting and energy-efficiency programs—both essential components of a cost-effective transition.

Just as importantly, reforms perceived as unfair or opaque risk undermining **public trust** at a critical moment in the energy transition. Maintaining confidence in the system is essential for community acceptance of future reforms, including electrification and demand-flexibility initiatives.

4. System-Level Outcomes Contrary to Queensland’s Energy Transition Goals

ZE4075 supports a transition that is fair, efficient, and aligned with Queensland’s renewable energy objectives. Increasing fixed charges creates several system-level risks:

4.1 Increased Peak Demand

If households feel consumption no longer affects bills, some will reduce attention to peak use. This may increase future network investment needs.

4.2 Slower Electrification Uptake

Households weighing whether to electrify heating, cooling, cooking, or transport depend on pricing stability and meaningful variable tariffs. Weakening volumetric signals makes these investments less attractive.

4.3 Reduced Value of Distributed Energy Resources

Our region has strong solar adoption and growing interest in batteries and flexible demand. Predominantly fixed charges weaken the business case for DERs and reduce their contribution to network stability.

4.4 Worsened Affordability Outcomes

Our community has expressed strong concerns about rising electricity prices. Increasing unavoidable costs would intensify energy stress for many households already struggling with cost-of-living pressures.

5. Recommendations

ZE4075 urges the Commission to adopt reforms that:

1. **Retain strong volumetric and time-of-use signals** that reward energy efficiency and demand flexibility.
2. **Avoid increasing fixed charges in a way that penalises low-consumption or vulnerable households.**

3. **Protect the affordability of people least able to participate in the energy transition,** including renters, apartment dwellers, and older residents.
4. **Strengthen, rather than weaken, incentives for household electrification and DER integration.**
5. **Prioritise reforms that enhance public trust,** transparency, and household agency.

Electrification and demand flexibility are essential pillars of an affordable, low-emissions future. Policies that diminish household participation or erode price signals will slow Queensland's progress at a time when momentum is crucial.

Conclusion

As a community organisation committed to practical climate action, ZE4075 strongly recommends that the Commission reconsider this proposal. A transition to predominantly fixed charges would weaken behavioural incentives, reduce equity, and undermine the community-level momentum that is driving Australia toward a cleaner, more resilient energy system.

We welcome further engagement and would be pleased to participate in consultations or provide community insights to support the development of fair and effective pricing reforms.