

13 February 2026

# Rule Change Request

**Ensuring Fair and Cost-Reflective Network Pricing for Distributed Energy Customers**

## Proponent

Individual consumer

## Introduction

I strongly oppose the Australian Energy Market Commission's [draft proposal](#) to increase fixed network charges and restructure tariffs under the Network Pricing Review.

The draft Network Pricing Review, presented as promoting fairness, in fact penalises households that act responsibly—those who reduce electricity demand, invest in rooftop solar or batteries, or build energy-efficient homes. These households place less strain on the grid yet face higher bills, undermining the benefits they invested in to reduce or eliminate energy costs.

Households have made substantial financial commitments in response to government policies promoting electrification, energy efficiency, and rebate programs. This proposal undermines those efforts, sending a contradictory message by eroding the very benefits—reduced or even eliminated energy bills—that these households invested in infrastructure to achieve through solar generation and self-consumption.

## Summary of Requested Rule Change

I request that the AEMC amend the National Electricity Rules to:

1. **Cap fixed charges** to ensure households retain control over bills.
2. **Preserve usage-reflective tariffs** linking costs to total consumption and peak demand.
3. **Protect distributed energy customers** so solar, battery, and low-usage households are not financially disadvantaged.
4. **Align network pricing with national objectives**, supporting household electrification, emissions reduction, and affordability.

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## Nature and Scope of the Problem

### 1. Households reducing demand are penalised

Higher fixed charges shift costs onto low-usage households, removing the financial incentive for:

- Installing rooftop solar
- Purchasing home batteries

- Building or retrofitting energy-efficient homes
- Reducing household energy use

Groups disproportionately affected include retirees, singles, apartment dwellers, energy-conscious families, property owners who financed green upgrades, and renters who bear costs passed on by landlords. [Public reporting by RenewEconomy](#) confirms solar and battery households are among the biggest losers. This is not cost-reflective or fair.

## **2. Contradiction with national energy policy**

The Federal Government is investing \$7.2 billion in battery rebates and household electrification to reduce bills and accelerate the clean energy transition. Penalising these same households through higher fixed charges undermines government programs, erodes trust, and discourages private investment in distributed energy.

People who made good-faith investments based on government direction will be impacted with higher bills and realise their efforts are not rewarded.

## **3. Fixed charges are inherently regressive**

Higher fixed charges disproportionately impact:

- Low-income households
- People with modest electricity usage
- Homeowners financing green energy and efficiency improvements through loans
- Renters unfairly burdened by higher costs passed on from landlords
- Energy-conscious consumers.

True equity comes from pricing that reflects usage and demand, not from flattening costs in a way that shields high consumers while penalising low users and households that have invested heavily to reduce bills during a cost-of-living crisis.

## **4. Discourages future clean energy investment**

Australia's energy transition depends heavily on household investment.

If solar, batteries, and efficient homes no longer reduce bills meaningfully, uptake will slow, peak demand will rise, and long-term system costs will increase—placing additional burden on taxpayers and the energy system.

This increases pressure on governments and taxpayers to fund infrastructure that households were previously helping to provide.

The proposal risks:

- Reducing solar and battery adoption
- Increasing peak demand

- Slowing emissions reductions
  - Raising long-term system costs.
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## Policy Inconsistency

The proposal conflicts with national energy policy. The Australian Government is investing \$7.2 billion in battery rebates and household electrification to reduce bills and accelerate the clean energy transition. Penalising these same households through higher fixed charges undermines government initiatives and erodes consumer confidence, discouraging further private investment in distributed energy.

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## My suggestion for proposed rule change

I propose the following amendments to the National Electricity Rules:

1. **Limit fixed charges** so households retain control over bills through reduced consumption.
  2. **Preserve usage-reflective tariffs** that link costs to total consumption and peak demand, rather than flat fees.
  3. **Protect distributed energy customers** so solar, battery, and low-usage households are not financially disadvantaged.
  4. **Mandate alignment with national objectives**, supporting household electrification, emissions reduction, and affordability.
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## Contribution to the National Energy Objectives

My proposed change promotes the long-term interests of consumers by:

- Rewarding efficient energy use
- Supporting adoption of solar and batteries
- Avoiding regressive cost shifts
- Reducing peak demand and long-term network investment
- Preserving consumer confidence in clean energy programs

Without these protections, network pricing reform will increase costs for those doing the right thing, slow the clean energy transition, and shift financial burden onto households least able to bear it.

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## **Conclusion**

Network pricing reform must reward, not punish, responsible households. I urge the AEMC to amend the rules to prevent excessive fixed charges and ensure tariffs remain cost-reflective, equitable, and aligned with national energy and decarbonisation goals.

This fixed-fee proposal is a direct penalty on households that have invested in sustainable living, solar, and batteries to reduce their energy bills—effectively negating the very benefits government programs were designed to deliver customers.