

To:

Australian Energy Market Commission

GPO Box 2603,

Sydney NSW 2001

From:

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13 February 2026

Re: Rules Change Submission

I would strongly urge the AEMC to abandon its proposal to shift network charges away from being tied to power demand to instead become largely fixed.

This should be abandoned for the following reasons:

- It would disproportionately harm lower-income households, who typically use less electricity than wealthier households yet would still bear the brunt of the changes.
- It would weaken practical, affordable decarbonisation efforts. By eroding the financial motivation for households to invest in efficiency, rooftop solar, and batteries, it runs counter to the energy market objective the AEMC is required to consider.
- It risks triggering unnecessary and expensive investment in new generation and network infrastructure. As the system shifts toward renewables and greater electrification of heating and transport, poorly designed signals could inflate supply-side costs.
- Greater dependence on renewable energy, especially solar, combined with increased electric heating demand, raises real concerns about reliable and affordable winter supply. That makes energy efficiency and smart timing of usage critical. Your proposal sends the opposite signal. The same applies to electric vehicles, which represent a major new load. Without strong, durable incentives to charge outside peak periods, network costs are likely to escalate.

- It does nothing to resolve the structural disadvantage faced by renters, who miss out on the benefits of efficiency upgrades and distributed energy because of the landlord–tenant split incentive. The idea that retailers will seamlessly deploy long-life equipment to renters through subscription models overlooks the obvious credit and tenure risks of installing fixed assets in properties occupied by non-permanent residents.
- The proposal to introduce highly dynamic network tariffs only when networks approach capacity constraints reflects a shallow reading of household behaviour and of how regulated networks respond to financial incentives.
- In practice, networks would be incentivised to delay such tariffs until infrastructure upgrades are imminent. Expanding their regulated asset base remains financially attractive under current WACC settings, which the AER has repeatedly endorsed.
- By the time dynamic tariffs are introduced, households will have already locked in long-lived appliances and established usage patterns. Behavioural and equipment changes require time and sustained, predictable incentives.
- Finally, a sudden and geographically isolated rollout of complex tariffs risks catching households off guard, resulting in bill shock. That outcome would be especially damaging for the very vulnerable consumers the proposal claims to protect.

I look forward to a rational and positive decision by the commission.

Yours sincerely,

 via email.