

# Submission Regarding Proposed Increases to Fixed Electricity Charges (EPR0097)

I am writing to express my strong opposition to the proposed increase in fixed electricity charges. Shifting the cost burden from usage to fixed daily fees penalises efficiency, devalues private investment, and risks driving an exodus of customers from the grid.

## Penalising Efficiency and Private Investment

Increasing fixed charges unfairly impacts households that have worked to reduce their grid reliance. This includes:

- **Low-use households:** Pensioners, renters, and energy-conscious families who have little room to further reduce consumption.
- **Solar and Battery Owners:** Individuals who have made significant private investments to support Australia's clean energy goals. These households should be rewarded for reducing pressure on the shared infrastructure, not hit with higher non-avoidable costs.

## The "Off-Grid" Tipping Point

The financial balance between remaining grid-connected and moving to a fully self-sufficient, large-scale solar and battery system is now **marginal**. If daily fixed charges increase significantly, I—and likely thousands of others—will be forced to take that final step and disconnect entirely.

The consequences of this shift would be a significant loss for the broader energy system:

- **Loss of Peak Supply:** Thousands of batteries that currently provide "dispatchable" power to households during evening peaks would be removed from the shared ecosystem. This reduces the pool of local energy that currently helps lower overall demand on the grid.
- **Wasted Public Money:** This move would directly undermine the **Cheaper Home Batteries Program**. Significant public funds have been allocated to encourage Australians to install batteries for the benefit of the energy transition. Pushing these users off-grid "traps" that capacity within individual homes, rendering the public investment useless for the wider community.
- **The "Death Spiral":** As self-sufficient customers leave, the base of users paying for shared network costs shrinks. This forces prices even higher for those who cannot afford to disconnect, creating a two-tier system and undermining electricity's status as an essential public good.

## Strengthening, Not Weakening, the Grid

At a time when large-scale renewable and transmission projects face delays, locally generated energy is a core pillar of our supply. Pricing reforms should focus on keeping people engaged with the grid and rewarding their contribution, rather than providing a financial incentive for the most capable users to abandon it.

## Conclusion

I urge the AEMC to protect usage-based pricing. Please reject changes that prioritize fixed revenue for networks at the expense of equity, efficiency, and the long-term viability of a connected, stable grid.