13 Feb, 2026

To Whom It May Concern,

This submission is in response to "EPR0097: The pricing review: Electricity pricing for a consumer-driven future". I didn't hear about this review until this week - I can see now why it has been kept out of the public eye. The proposal to move to "fixed charges" as outlined in the draft report (11 Dec 2025) would be inequitable for consumers, and be detrimental to the environment, as a result of encouraging electricity consumption through an artificial zero marginal cost.

Network costs absolutely should require a contribution from all consumers in order to pay for grid investment and maintenance. This should be distributed fairly across all grid interconnect points, probably in proportion to the maximum power rating. However, the concept of trying to push the variable costs of generation into a fixed supply component is misconceived. The marginal cost of electricity generation is not zero, so there must be appropriate price signals to encourage consumers to limit power usage when this cost is highest. While we have fossil-fuel sources in the generation mix, the real environmental cost of carbon emissions must be considered as a factor here. Under your scheme, there would be no price incentive for frugal energy usage, so we would see a substantial increase in energy demand, which in turn would require further network investment. Maybe that's AEMC's goal here?

These fixed charges will mean that up to half of all of the customers will be subsidising the other half for the electricity they use. Since this imbalance will be roughly in line with the number and types of electrical appliances that consumers have in their homes, at least in a domestic environment, it stands to reason that it will be the smaller, less well-off households subsidising richer ones who can afford bigger and better toys. This would be directly leading to a distorted, inequitable market.

Rather than focus on manipulating prices artificially, the goal should be to encourage the evolution of a power grid with widely distributed storage (down to the household and suburban levels). This would result in lower infrastructure and transmission costs, and better fault tolerance if engineered correctly. By imposing increased costs on consumers who have already invested in solar PV and batteries, the "fixed charge" approach from your review will be actively encouraging these households to disconnect completely from the grid, when you should be doing the exact opposite: we need as much storage connected as possible to flatten loads and avoid the need for curtailment of solar generation in the middle of the day.

I'm disappointed that a review like this from a governmental authority is relying so much on spin and unsupported and/or baseless statements, rather than a logical, scientific analysis of what is in essence an engineering challenge.

While grid generation has any fossil-fuel sources, we cannot afford to be effectively offering free energy to consumers after they've paid their fixed charge, a scheme which would also force low-income and energy-conscious households to subsidise the profligate.

Thank you,

[redacted]