

**Submitted by:** [REDACTED]

**Capacity:** Individual Consumer

Dear Commissioners,

I write to provide my submission in response to the Australian Energy Market Commission's draft report, *The pricing review - Electricity pricing for a consumer-driven future*, published on 11 December 2025.

I make this submission as an individual. I do not represent any organisation or industry body. My perspective is that of an Australian who has lived experience of the real impact that electricity pricing has on low-income households, and particularly on households from culturally and linguistically diverse backgrounds. I am married to someone who works in the industry however I have written this submission myself and these are my views.

## **My Background**

I come from a family of Laotian background. My parents arrived in Australia as migrants with limited English. Throughout my childhood, my family were low-income earners living in a housing commission unit. English was a second language in our household, and navigating essential services, including understanding electricity bills and energy pricing, was a challenge for my parents.

Despite the difficulties they faced, my parents were meticulous in managing the household budget. One of the few areas over which they had meaningful control was their use of electricity. They understood that by being conservative and careful in how they used electricity each day, they could keep their energy costs low. This was not a matter of preference; it was a matter of survival. Careful electricity use was one of the only levers available to them to manage their limited income and ensure that essential bills were paid.

My parents took their obligation to pay the energy bill extremely seriously. They always prioritised paying it promptly. When I was young, they would send me to the Post Office to pay the energy bill as soon as it arrived. There was never any question of it being deferred or overlooked. For my parents, paying the electricity bill on time was a matter of pride and responsibility, even when money was tight.

## **The Importance of Solar Energy for Low-Income Households**

I now live in a solar household. My parents, who are now retired and receiving the Age Pension, also have a solar system installed at their home. Their solar system was funded partly through contributions from family members who wanted to help reduce my parents' ongoing living costs.

The impact of solar on my parents' financial circumstances has been significant. Despite their continued low-income status, the solar system has enabled them to meaningfully reduce their electricity bills. For pensioners on a fixed income, every dollar saved on electricity is a dollar that can go towards food, medication, or other essential expenses. The solar system has provided my parents with a degree of financial relief that they would not otherwise have.

This is precisely the kind of outcome that the energy transition should be delivering for all Australians, particularly those who are most vulnerable.

## **Concerns Regarding the Proposed Move to Predominantly Fixed Network Charges**

I have extreme concerns about the proposal to have more of an energy bill fixed, I am concerned about impact of this proposal, both on myself and on my parents and others.

A move to predominantly fixed network charges would mean that a greater proportion of a household's electricity bill becomes unavoidable, regardless of how much or how little electricity is consumed from the grid. This undermines the one mechanism that low-income households like my parents' have always relied upon to manage their energy costs: the ability to reduce consumption and thereby reduce costs.

Under the current framework, my parents' conservative use of electricity and their solar system work together to keep their bills low. If a greater share of network costs is recovered through fixed charges rather than volumetric charges, the benefit they receive from both their careful consumption and their solar investment would be significantly diminished. The costs they face would become largely unavoidable, regardless of their behaviour.

This would disproportionately impact:

- Low-income households, who rely on the ability to control consumption as a means of managing costs;
- Pensioners and fixed-income households, who have no capacity to increase their income to absorb higher fixed charges;
- Households that have invested in solar, who made that investment on the reasonable expectation that reducing their grid consumption would reduce their costs; and
- Culturally and linguistically diverse households, who already face barriers in understanding and navigating the energy market and would be further disadvantaged by pricing structures that reduce their ability to control their bills through simple, understandable actions like using less electricity.

The draft report speaks of "equity" and "fairer sharing of costs". However, I respectfully submit that there is nothing equitable about a pricing structure that shifts costs onto those least able to pay, while reducing the rewards for households that have taken steps to reduce their demand on the grid. Equity must be assessed not merely in terms of who uses the network, but in terms of the capacity of different households to bear the costs imposed upon them.

## **Conclusion**

I support the Commission's stated objective of ensuring that the energy market works better for consumers. However, I am deeply concerned that the proposed move to predominantly fixed network charges, as contemplated by Draft Recommendation 5, would work against the interests of the very consumers the Commission says it seeks to protect.

For my parents, who came to this country with very little and who have spent a lifetime carefully managing their electricity use to keep costs within their means, these proposed changes represent a real and serious threat to their financial wellbeing. The solar system that our family invested in to help them in their retirement would deliver diminished returns, and the careful habits of a lifetime would count for less.

I urge the Commission to give serious and genuine weight to the impact of its proposals on low-income households, on pensioners, and on culturally and linguistically diverse communities. I urge the Commission to ensure that before any changes to pricing structures are made, an independent inquiry is conducted into the conduct and profitability of network companies and the true impact of these proposals on vulnerable Australians.

The energy system should serve all Australians, not just those who can afford to absorb higher fixed costs.

Yours faithfully,

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