

Submission to AEMC — Pricing Review Draft Report

From: Victorian household with rooftop solar and battery

Introduction

We are a Victorian household connected to United Energy with a [REDACTED] rooftop solar system and a [REDACTED] battery. We export significant solar energy and have deliberately invested private capital to reduce grid demand and emissions.

We are concerned the proposed pricing reforms will penalise households that have acted early to support the energy transition.

Impact on households like ours

Our investment decisions were based on longstanding policy signals encouraging distributed renewable energy and demand reduction.

The proposed reforms shift network cost recovery toward fixed charges. This means households that reduce grid consumption will still pay much the same as households that heavily rely on the grid.

In practice:

- Households that reduce grid demand lose financial benefit
- Battery investment payback worsens
- Solar export value is reduced
- Incentives for future clean energy investment weaken

This sends the wrong signal at the wrong time.

Equity concerns

The report argues current tariffs are inequitable because solar households pay less network cost.

However:

- Solar households funded generation infrastructure privately
- We reduce peak demand and network stress
- We reduce emissions at our own expense

Changing rules after households invested creates policy risk and unfair outcomes.

Impact on future investment

The proposal risks slowing:

- Solar adoption
- Home battery uptake
- Demand response participation
- Household electrification

If households cannot reduce bills through investment, they will simply consume grid power instead.

This increases future network costs.

Better alternative approach

We support fair cost sharing but recommend:

1. Network charges linked to contribution to peak demand, not flat fixed charges.
2. Reward households that reduce network investment needs.
3. Protect early adopters who invested under prior policy signals.
4. Maintain strong incentives for batteries and demand flexibility.

Conclusion

We respectfully submit that moving toward predominantly fixed network charges will:

- Penalise households supporting the transition
- Slow clean energy investment
- Increase long-term system costs
- Create policy uncertainty

We urge the Commission to revise Recommendation 5 so that households who reduce demand and support grid efficiency continue to benefit financially.