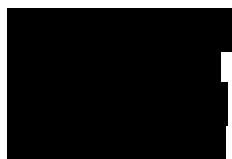


# Submission to AEMC on *Pricing Review Draft Report*



My name is [REDACTED]. I am a [REDACTED]  
[REDACTED]. Before migrating to Australia in 1983 where I earned my PhD at University of Western Australia on the modelling and control of solar ponds, I worked as a hydrographer for 3 years in the hydrogeneration division of Pacific Gas and Electric Company in San Francisco. I have had a lifelong interest in electricity systems and am very familiar with residential energy efficiency. I installed rooftop solar on my home in Canberra in Feb 2011 and a Tesla Powerwall 2 in Nov 2023.

I am writing to advise the AEMC of my views regarding the Pricing Review draft report (Dec 2025) and several of the draft recommendations in it. My perspective is that of a residential user of the network for both export and import of grid electricity.

The draft report is quite long and I found sections of the executive summary a bit wordy with too much emphasis on general concepts that are not clearly defined and insufficient specific details to allow informed commentary. For example, I had to dig deeper into the report and perform independent internet searches to make sure I had a correct understanding of what "competitive franchise model" meant.

There appears to be internal tension between statements such as:  
(para 83) "The primary focus will be on the impacts on end use customers"; and  
(para 73) "make energy service providers central to network tariff design consultation by removing the 'customer impact' and 'customer understanding' principles that are creating a focus on the consumer, rather than the energy service providers".

I don't think you can have it both ways - consumer benefit through lower bills is intrinsically at odds with corporate revenue.

As an engineer with some experience with a regulated vertically integrated electric utility that was essentially a monopoly in northern California, I have always struggled to accept the notion that multiple commercially competing retailers should, by definition, be able to provide better value than an **effectively** regulated monopoly utility. The electrons come from the same power plants and are carried through the same wires. It just seems to me that the 'market' facilitates the introduction of a layer of rent seeking ticket clippers.

I will now address the specific recommendations from the report.

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## **Draft Recommendation 1 – Uniform Pricing within Plans (“Addressing the Loyalty Tax”)**

- **Fully Support:**

- As a consumer, I should not have to constantly shop around for a better offer just to be treated the same as a new customer poached from a competing retailer. Retained customers must not be charged any more than new customers on the same plan. Retained customers should automatically be transferred to a least cost option in the absence of the customer explicitly choosing an alternative.
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## **Draft Recommendation 2 – Competitive Franchise for Non-Engaged Customers**

- I'm not confident I fully understand what is meant by this jargon. If you mean that customers who have not explicitly selected a retailer-offered plan should be informed of and offered the least cost option from all available retailers in their region, then I would support something along these lines.
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## **Draft Recommendation 3 – Periodic Review of Consumer Outcomes**

- **Support:** Regular assessment is vital in a market undergoing technological and behavioural change (DER, EVs, flexible demand).
    - You cannot manage what you do not measure. Measure as many factors as practicable: EV loads and timing, PV export, TOU consumption.
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## **Draft Recommendation 4 – Upgrade of *Energy Made Easy***

- **Scrap EME and start over**
  - Energy Made Easy is one of the least useful websites I have ever encountered. It requires too many button clicks and too much specific info (e.g. NMI number) to be of general use. All I ever want from a comparison website is one column per retailer with multiple columns to allow me to compare retailers side by side on the one page with the following rows:
    - Network connection fee: \$/day
    - Consumption fee: \$/kWh (can have multiple entries for TOU tariffs)
  - Please do not make the user have to enter all those details over and over again for each retailer. This should be a very basic function. And do not include bundling discounts and other conflating factors. Just a straight side by side comparison.
  - I should just be able to tick the name of the different retailers I wish to compare and get all the info back in one page. I don't need big type and I don't

need tons of white space. Just a simple Excel style table listing the competing rates in adjacent columns would do the job.

- I often find myself frustrated by retailer websites redirecting me to EME rather than just telling me what the bloody charges are. I do not have 'typical' consumption patterns and I am not mathematically challenged. I just need the most basic information without any assumptions about my likely energy use and annual bill.
- Annual bill estimates can be added and I would suggest they be based on different use profiles such as even use throughout the day, and skewed use (e.g. 20% morning, 20% midday, 60% evening). It would be so easy for a user to just select the column plot that they think best matches their daily pattern of energy use and then have the website use typical annual consumption data proportionately weighted or just allow the user to enter a value for daily consumption and scale that by time of day and weighted by season. This would also allow the user to make a quick assessment of the value of changing their usage pattern.

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## **Draft Recommendation 5 – Network Tariff Reform for Efficiency and Fairness**

- Network tariffs should reflect the net cost of providing the service. I suggest basing the tariff on the maximum instantaneous energy consumption/supply by a residence as this reflects the size of the cable needed to support the current. The annual volume of consumption is not as important as the instantaneous load that the network must be designed to support.
- Residential solar supply presumably offsets central generation transmission to some extent and this should be incorporated into pricing. If I generate 5 kW and my neighbor next door uses 5 kW then the grid from the generator to the substation is unaffected by that demand, on average, because it is satisfied by the flow of power in our local area.
- If locally generated power exceeds local demand sufficiently to require hardening of the distribution network, I can accept some level of charge based on capex and O&M of any essential network upgrades.
- I would cap ROIC at 8%. That's way more generous than ordinary taxpayers get on their near-risk free investments.
- Socioeconomic equity should not be a factor in network charges. Socioeconomic equity is better handled through alternative government needs-based payments. Presumably, this would simplify billing requirements placed on retailers.

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## **Draft Recommendation 6 – Tariff Design for Energy Service Providers**

- Enables innovative retail and aggregation models such as VPPs.
- Encourage adoption of PV + BESS with compulsory VPP, perhaps.

- Shifts complexity from end-users to professional intermediaries better equipped to manage it.

Sincerely,

A solid black rectangular box used to redact the signature of the sender.