

Submission on Proposal EPR0097 – Opposition to Increase in Fixed Electricity Charges

To Whom It May Concern,

I write to register my opposition to the proposal to increase the fixed electricity charges under **EPR0097**.

Increasing the fixed component of the electricity charges is inappropriate on many levels.

Firstly increasing the fixed component would penalize those consumers that use less electricity. This will more heavily impact low income families, elderly residents on fixed income levels and small households such as those that live in apartments. Additionally it also penalizes people that have taken action to reduce their consumption of power, by installing energy efficient appliances, solar rooftop systems and storage battery systems.

Increasing the fixed charge portion of people's power costs reduces the benefits of conserving power use and would increase the drain on electricity supply resources. The proposed increase goes against the core precept that lower usage should and would lead to lower power bills. I doubt we would apply this same increase to other basic resources such as Water!

Secondly, increasing the fixed charges results in a greater portion of the total cost for low consumers compared to high consumers. Any fair pricing structure should encourage and reward efficiency and lower usage of our limited resources. The proposed change would encourage a mentality of greater usage and place greater demand on the supply of power. Greater demand would likely lead to more power shortages and outages which cause subsequent economic cost to the whole population. This change I believe would further exacerbate and prolong the existing cost of living issues we are all experiencing.

Thirdly such a change to the pricing structure would act as a deterrent and hindrance to people to invest in energy efficient appliances, or install rooftop solar and solar battery systems. It would likely lead to people no longer participating or engaging in initiatives to address demand response events. It would additionally deter people from moving demand to off-peak periods.

This change will further set back broader objectives such as decarbonisation and demand management. The proposed change to pricing would undermine these objectives and the transition to a flexible sustainable supply grid.

Lastly, energy affordability is a crucial part of people's lives. Increasing the fixed part increases unavoidable costs and would lead to energy hardship especially for households already struggling with ever increasing living costs. Increasing non-discretionary electricity costs simply adds further to people's financial strain.

The proposal fails to show how increasing the fixed charges will provide any tangible benefits to consumers especially the most vulnerable ones.

In summary, as outlined above, I strongly oppose the proposed changes to increase the fixed component of electricity charges under EPR0097. The change will impact low usage and vulnerable households, weaken incentives for investment in renewable energy resources and conservation and reduce fairness in pricing.

I hope that the decision makers reconsider this proposed change and seek other mechanisms that encourage more efficient consumption of our limited electrical resources

I appreciate the opportunity to submit my thoughts and views on this proposed change.

Yours sincerely,

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