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13th February 2026

AMEC
Submissions

Dear AMEC Submissions team,

Here is a structured draft submission based on the guideline you provided. It is framed around long-term consumer interests, future impacts, and practical evidence.

Submission on Proposed Changes to Network Access Charges

1. Introduction

I am a residential electricity customer with rooftop solar and battery storage. My submission focuses on how higher fixed network access charges may unintentionally undermine the long-term interests of consumers by:

- Incentivising partial or full grid defection
- Reducing overall grid capacity and resilience
- Disproportionately impacting low-consumption households, including retirees and elderly consumers

I support reform that strengthens the grid and delivers fair cost allocation. However, I am concerned that significantly increasing fixed access charges may produce unintended behavioural and system-wide consequences.

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2. Framing Against the Long-Term Interests of Consumers

Under the National Energy Objectives, rule changes should promote the long-term interests of consumers with respect to price, quality, safety, reliability, and security of supply.

While higher access charges may provide short-term revenue certainty for networks, they may:

- Reduce price fairness for low-usage households
- Encourage economically rational grid defection
- Reduce shared network resilience over time

A pricing structure that unintentionally pushes self-sufficient households away from the grid may not align with long-term system efficiency or consumer interests.

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3. Behavioural and Economic Impacts

3.1 Incentive to Disconnect

As a solar and battery owner, my marginal energy purchases from the grid are already low. If fixed access charges increase materially, the economic case for remaining grid-connected weakens.

Microeconomic theory suggests that when fixed costs rise and variable usage is low, consumers will reassess participation in the system. With battery prices declining and system performance improving, grid disconnection becomes a rational investment decision rather than a fringe choice.

If a meaningful number of solar + battery households disconnect:

- Network costs are spread over fewer customers
- Remaining customers face higher charges
- A feedback loop (sometimes referred to as a “utility death spiral”) may emerge

This outcome would not promote long-term consumer interests.

3.2 Loss of Capacity and Resilience

Distributed energy resources (DER), including rooftop solar and batteries, contribute to:

- Reduced peak demand
- Local generation capacity
- Potential future participation in virtual power plants (VPPs)
- Emergency backup during outages

Encouraging these households to disconnect removes flexible capacity from the shared system.

Paradoxically, higher fixed charges intended to secure network revenue could reduce overall system resilience by driving away customers who can contribute distributed support.

3.3 Disproportionate Impact on Low-Consumption Households

Higher fixed access charges disproportionately impact customers who use very little electricity, such as:

- Retirees
- Elderly residents
- Energy-conscious households
- Single-occupant dwellings

A pricing structure that shifts more cost recovery into fixed daily charges weakens the price signal that rewards conservation and efficiency.

For example, a household that consumes very little power may see a large proportion of their total bill comprised of unavoidable access charges. This reduces their ability to manage bills through behavioural change.

From an equity perspective, this may undermine affordability outcomes for vulnerable consumers.

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4. Future Impacts if the Rule Is Made

If higher access charges are implemented:

1. Increased adoption of full off-grid systems among financially capable households
2. Accelerated exit of solar + battery customers
3. Increased average costs for remaining customers
4. Greater inequity between those who can afford to defect and those who cannot

If the rule is not made, or if access charges are moderated:

- More households may remain grid-connected

- Distributed assets can be integrated into system planning
- The grid retains greater diversity and resilience

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5. Alternative Considerations

I encourage consideration of:

- Cost-reflective but moderate fixed charges
- More dynamic pricing models that reward flexibility
- Incentives for grid-connected battery participation
- Tariff structures that maintain a strong connection incentive

The objective should be to make remaining connected the rational long-term choice for solar and battery owners.

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6. How This Submission Adds Value

This submission provides:

- A real-world consumer perspective from a solar + battery owner
- A behavioural economics lens on likely consumer responses
- Consideration of system-wide resilience implications
- Equity analysis regarding low-consumption households

These practical insights may assist in assessing unintended consequences that modelling alone may not fully capture.

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7. Conclusion

While network revenue stability is important, materially increasing fixed access charges risks:

- Encouraging grid defection
- Reducing shared infrastructure resilience
- Disproportionately burdening low-usage and elderly consumers

To promote the long-term interests of consumers, pricing reform should strengthen incentives to remain connected, support distributed participation, and maintain fairness across household types.

I appreciate the opportunity to provide this submission.

And yes I did use Ai to help me proof read and improve my submission but thoughts are my own

Sincerely,

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