

# **Appendix 1.3: Energy Consumer Reference Council (ECRC) engagement report**

Access arrangement information

ACT and Queanbeyan-Palerang gas network  
access arrangement 2026–31

Submission to the Australian Energy Regulator

# Contents

<b>1. Engagement overview.....</b>	<b>3</b>
1.1 Introduction.....	3
1.2 About the ECRC .....	3
1.3 How the ECRC engaged on the five-year gas plan .....	3
1.4 Composition of the ECRC.....	4
1.5 Tools and techniques used.....	4
<b>2. Feedback from ECRC meetings .....</b>	<b>4</b>
2.1 Meeting 54 – 12 October 2023 .....	5
2.2 Meeting 55 – 29 November 2023.....	6
2.3 Meeting 56 – 15 February 2024.....	6
2.4 Meeting 57 – 11 April 2024.....	7
2.5 Meeting 58 – 2 July 2024.....	8
2.6 Meeting 59 – 15 August 2024 .....	8
2.7 Meeting 60 – 24 October 2024 .....	9
2.8 Meeting 61 – 10 December 2024.....	10
2.9 Meeting 62 – 20 March 2025 .....	11
2.10 Meeting 63 – 2 May 2025 .....	11
2.11 Meeting 64 – 12 June 2025 .....	12
<b>3. Conclusion.....</b>	<b>13</b>

# 1. Engagement overview

## 1.1 Introduction

This report summarises the Energy Consumer Reference Council (ECRC)'s feedback on Evoenergy's five-year gas plan, based on discussions held across eleven meetings between October 2023 and June 2025.

The ECRC is one part of Evoenergy's broader commitment to meaningful, transparent engagement with customers and stakeholders. This approach is underpinned by [Evoenergy's Stakeholder Engagement Strategy](#), which follows the IAP2 framework. It outlines Evoenergy's objectives for inclusive and effective engagement and ensures that customer perspectives inform decision-making across our energy transition.

## 1.2 About the ECRC

The ECRC is a long-standing advisory group that has provided customer and community perspectives to Evoenergy for over ten years. It plays a central role in Evoenergy's business-as-usual engagement program, meeting regularly to consider key strategic and operational topics.

Members represent a diverse mix of consumer advocates, community organisations, business groups, **industry bodies and social services. Their input helps ensure Evoenergy's decisions reflect a broad cross-section of views from across the ACT and surrounding regions.**

The ECRC is a key component of Evoenergy's ongoing engagement program and serves as a standing forum to test ideas, seek advice, and share information. While Evoenergy also undertakes engagement with the broader community through research, forums, and targeted consultations, the ECRC provides continuity, insight, and challenge.

Over the past 18 months, the five-year gas plan has been a recurring and prominent topic for ECRC discussion. The group has helped explore complex issues including cost recovery, safety, equity, tariff structures, and the practicalities of disconnecting from the gas network.

Meetings have also been attended by observers from the AER, the Consumer Challenge Panel (CCP), and ACT **Government, as well as occasional guest presenters from industry and advocacy organisations.**

## 1.3 How the ECRC engaged on the five-year gas plan

ECRC members engaged with the five-year gas plan through a series of structured discussions and feedback activities. These were designed to reflect different stages of the plan's development and encourage iterative feedback as ideas and options evolved. The Council explored the regulatory framework, technical and economic assumptions, and customer implications of Evoenergy's proposed approaches, and raised key questions and suggestions that shaped the refinement of the plan.

## 1.4 Composition of the ECRC

The Council includes representatives from:

- Consumer and social advocacy groups
- Community councils and local associations
- Business and industry bodies
- Energy and sustainability interest groups

## 1.5 Tools and techniques used

To support open and inclusive engagement, Evoenergy used a mix of tools across the ECRC meeting series, including:

- Slido polls and open-text questions to capture views
- Facilitated group discussions to explore diverse perspectives
- Presentations and visual materials to explain complex issues

These tools helped track changes in views, explore trade-offs, and gather feedback in a structured but flexible way.

# 2. Feedback from ECRC meetings

The following meetings included focused discussions on the five-year gas plan:

*Table 1.5 Meeting overview and topics discussed (October 2023 – June 2025)*

Meeting	Date	Topic
54	12 October 2023	Gas network transition: ensuring safe and cost-effective disconnection
55	29 November 2023	Gas network transition: disconnection options and safety risks
56	15 February 2024	GN26 engagement strategy overview
57	11 April 2024	Reference service proposal key topics
58	2 July 2024	Reference service proposal & recovery of network investment cost
59	15 August 2024	Permanent & temporary gas disconnections
60	24 October 2024	Disconnections and tariff structures and tariff rebalancing

Meeting	Date	Topic
61	10 December 2024	Regulatory context, engagement update, evolving draft plan elements and AER Decision on the Reference Service Proposal
62	20 March 2025	New proposed approach to disconnections, capital asset base recovery, demand and tariffs
63	2 May 2025	Overview of feedback on the draft plan & demand forecast update
64	12 June 2025	Additional information on demand forecasts, disconnection costs and an overview of gas five-year plan.

## 2.1 Meeting 54 – 12 October 2023

### Gas network transition – Ensuring safe and cost-effective disconnection

#### Overview of what was presented:

Members received an overview of the four disconnection and decommissioning options: gas fitting capping, temporary disconnection, permanent disconnection and full network decommissioning. Videos were used to help explain the difference between temporary and permanent disconnections. The challenges of managing the network without full visibility beyond the meter were discussed. Members also considered how changes in regulation may affect customer choices and network planning.

#### Discussion questions:

- Should gas services be permanently disconnected rather than temporarily disconnected in the ACT when customers electrify?
- Who should pay for permanent disconnection gas services in the ACT?
- How should Evoenergy engage with customers on this issue?

#### What we heard:

Some members expressed concern that temporary disconnections may pose a long-term safety risk and questioned whether coordinated, street-by-street decommissioning could be a safer, more cost-effective solution. There was a clear desire for clearer communication with customers, including practical information about permanent disconnections and how to engage tradespeople.

A member raised that permanent disconnection costs should be weighed against the broader financial burden of transitioning off gas. Members also highlighted the need to consider vulnerable groups who may struggle with both appliance replacement and permanent disconnection costs.

## 2.2 Meeting 55 – 29 November 2023

### Gas network transition – Ensuring safe and cost-effective disconnection

#### Overview of what was presented:

This session expanded on prior discussions by introducing the concept of ‘dormant connections’ and highlighting the safety, licensing, and cost challenges associated with gas decommissioning. Members were shown comparative figures, including the number of temporary disconnections in the ACT, frequency of third-party hits on gas infrastructure, and the capital value of the gas network. The regulatory landscape was explained, including the ACT’s evolving position and recent decisions in Victoria.

#### Discussion and Slido questions:

- Should coordinated area decommissioning be considered with specific timeframes for customer transition by area/suburb? Should this be mandated?
- How concerned are you about the safety risk of temporary gas disconnections?
- If temporary disconnection costs ~\$200, who should pay?
- If abolishment<sup>1</sup> costs ~\$900, who should pay and how should costs be shared?
- To what extent should abolishment be mandatory in the ACT?
- Should the ACT Government subsidise abolishment costs?

#### What we heard:

There was strong support (86%) for co-ordinated, area-based decommissioning. Most members expressed moderate to high concern about safety risks associated with temporary disconnections.

A range of perspectives were offered on who should bear the cost of disconnection, with many members suggesting that the ACT Government should subsidise abolishment in line with its electrification policy. Some members said that costs should not fall entirely on individuals already facing transition burdens. There was also uncertainty about cost-sharing between disconnecting customers and the remaining customer base, with no strong consensus.

## 2.3 Meeting 56 – 15 February 2024

### Overview of the five-year gas plan engagement strategy

#### Overview of what was presented

The engagement strategy progress was shared, including updates on customer research.

Members discussed the importance of aligning the five-year gas plan with evolving customer priorities.

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<sup>1</sup> Following the AER’s approval of our Reference Service Proposal in November 2024, Evoenergy’s communication with stakeholders shifted the terminology from ‘abolishment’ to ‘permanent disconnection’.

Scenario planning was highlighted as a critical tool for navigating future uncertainty in gas network planning.

#### **Discussion and Slido question:**

**What elements of the gas network plan are you, as an ECRC member, interested in discussing?**

Responses focused on:

- Supporting low-income, renting, and vulnerable customers through the transition
- Transparency of abolishment pricing and cost structures
- Electrification workforce development (e.g. transition of gas workers)
- Use of case studies and practical guidance for customers
- Engagement alignment with ERAP and ACT Government policy
- Need for data and access to network planning and research

An open-text poll also asked: Are there forums run by your organisation that may be interested in our gas plan?

Suggestions included ACT Council of Social Service (ACTCOSS) forums, Tuggeranong Community Council meetings, Canberra Institute of Technology Student Association (CITSA) student events, and Electrify Canberra networks.

#### **What we heard**

Members consistently raised the need to ensure vulnerable and low-income households are considered in the gas plan and expressed concern about affordability, accessibility of guidance, and perceived cost barriers to electrifying.

There was general support for more proactive, transparent communications and a for all stakeholders to develop a stronger understanding of the real-world impacts of gas disconnections. Members asked Evoenergy to engage community networks and make the plan more accessible to everyday customers.

## **2.4 Meeting 57 – 11 April 2024**

### **Reference service proposal key topics**

#### **Overview of what was presented**

- Key challenges in developing the five-year gas plan were discussed, including managing cost recovery amid declining demand and emissions reduction targets.
- The revenue cap vs. price cap regulatory framework was explained.
- Members were introduced to proposed tariff structure changes and asked to consider their fairness and impact across different customer types.

#### **What we heard**

Members acknowledged the complexity of planning for the future gas network given the ACT Government's electrification policy and evolving customer behaviour. There was strong interest in how Evoenergy intends to manage declining gas demand while maintaining fairness in cost

recovery across remaining customers. Some members emphasised the importance of ensuring vulnerable groups are not disproportionately impacted by network changes or tariff reform.

The group discussed the proposed shift from a declining block tariff structure and sought clarity on how new tariffs would align with customer capacity to respond to price signals. Members were generally supportive of simple and equitable tariffs designed to encourage emission reduction.

Members **highlighted the need for fairness and transparency on the outcomes of a price or revenue cap for all customers (commercial, industrial, and residential). Members also emphasised the importance of addressing cost impacts over a declining customer base, the need for accurate demand forecasts and the impact on those customers who will remain on the network longer. Members also stressed the importance of clear, accessible language when communicating about tariffs and revenue models. Suggestions were made to consider alternative ways of explaining the changes – particularly for residential and small business customers – to build understanding and support across the community.**

## 2.5 Meeting 58 – 2 July 2024

### Summary of reference service proposal and recovery of network investment costs

#### Overview of what was presented

- The financial challenges of maintaining the network as gas use declines were discussed.
- Members were asked to reflect on equity in cost recovery and the risk of unfairly burdening customers unable to electrify quickly.

#### What we heard

Members were concerned about disproportionate impacts on vulnerable customers and questioned whether Evoenergy could pursue more innovative or flexible cost-recovery mechanisms.

There was moderate support for balancing recovery between residential and commercial users, with some caution about discouraging early adopters. Members appreciated the focus on fairness but flagged that much depends on the availability of subsidies and the speed of policy implementation.

## 2.6 Meeting 59 – 15 August 2024

### Permanent and temporary gas disconnections

#### Overview of what was presented

- Safety risks from temporary disconnections were outlined, with members informed that 25-30 third-party hits occur on live gas connections each month.
- Equity concerns around who pays for permanent disconnections were raised.
- The financial burden on renters, families, and low-income households was discussed.



- Complexities related to disconnections for apartment buildings and grouped dwellings were acknowledged.

### **Discussion and Slido question:**

Consider the advantages and disadvantages of ‘disconnecting customer pays’ vs. ‘remaining customers pay’ for permanent disconnections. What is the most appropriate way to recover the cost of permanent disconnections? Why?

Responses suggested sharing the cost across customers, using government subsidies, and offering discounts for coordinated permanent disconnections.

### **What we heard**

Members expressed concern about safety risks from leaving live gas infrastructure dormant and emphasised the importance of making permanent disconnections more accessible.

Most members favoured cost-sharing, government subsidies, or discounts for co-ordinated disconnections to reduce the financial burden – particularly for vulnerable or lower-income customers.

Some members proposed incentives for group or area-based disconnections to reduce per-customer cost and simplify the process for apartment complexes and neighbourhoods.

There was a suggestion for engagement strategies that use trusted community organisations to build awareness of safety risks and support informed customer decisions.

Members emphasised the need for a just transition, highlighting that, customers facing financial stress – including renters, older residents, and hospitality businesses – require tailored support and accessible information to safely and affordably leave the gas network.

## **2.7 Meeting 60 – 24 October 2024**

### **Disconnections and tariff structures and rebalancing**

#### **Overview of what was presented**

- Members were briefed on disconnection options, associated safety risks, and cost recovery approaches.
- Two cost recovery models were presented: user-pays vs socialisation.
- Tariff scenarios were outlined, including flattening volume tariffs for residential customers to improve equity.
- Large customer tariffs were discussed, with no change proposed due to risk to smaller customers of incentivising larger customers to exit the network earlier.

#### **Discussion questions:**

Consider the advantages and disadvantages of ‘disconnecting customer pays’ vs. ‘remaining customers pay’ for permanent disconnections. What do you think is the most appropriate way to recover costs of permanent disconnections from customers? Why?

What key considerations should guide the design of the gas network tariff structure for 2026–31, including how costs should be shared across different customer types?

What are your views on a ‘flatter’ tariff structure, and are there any other factors Evoenergy should take into account?

### **What we heard**

Members expressed mixed views on disconnection cost recovery. While some indicated support for the user-pays model, others supported cost-sharing to reflect the policy-driven nature of the transition.

Members also discussed how tariff changes could influence customer decisions to disconnect or remain connected to the network. Some expressed concern that smaller customers may face higher costs if larger users electrify quickly.

Members were supportive of the tariff principles presented, noting they were sound and reasonable.

There was general support for equitable tariff reform, but members emphasised the importance of clear communication and modelling to help customers understand tariff changes and their potential bill impacts.

## **2.8 Meeting 61 – 10 December 2024**

### **Regulatory decision making beyond ACT, engagement update and update on current thinking.**

#### **Overview of presentations**

The meeting focused on the development of Evoenergy’s next five-year gas plan , with presentations covering:

- Update and current thinking
- Regulatory decisions in other jurisdictions
- Demand forecast trends
- Disconnection approach and safety considerations
- Capital base recovery options including a new sum-of-years-digits depreciation method
- Engagement update and upcoming milestones
- Three-phase electricity upgrades: technical insights and customer impacts

#### **Slido and discussion questions**

Members were invited to consider the proposed sum-of-years-digits depreciation method.

Feedback suggested it may provide a more balanced cost impact over time. Members highlighted the need for accessible customer information, particularly for low-income households, and raised interest in understanding the revenue risks for Evoenergy under each approach.

### **What we heard**

Members expressed strong support for managing transition costs fairly, particularly for vulnerable and hard-to-transition customers. They acknowledged the need for early action to avoid future price shocks and supported spreading capital cost recovery across more customers sooner. The proposed sum-of-years-digits depreciation method was seen as potentially offering a more

balanced and equitable approach, and there was interest in understanding the revenue risks and trade-offs of different models.

On permanent disconnections, members raised questions about cost and reversibility and asked whether Evoenergy could offset or absorb disconnection charges. There was support for promoting permanent disconnection as the safest option, and for a targeted disconnection approach – particularly at points like property transfers.

A drop in gas consumption in 2023–24 prompted discussion. Members suggested the decline could be due to increased solar use, changing appliance preferences, or cost-of-living pressures. Interest was expressed in the link between usage and network revenue.

Members appreciated Evoenergy’s transparency and welcomed continued coordination with the ACT Government. They noted the value of tailored, sector-specific communications and the opportunity to co-develop resources that can be shared more broadly.

One member highlighted cultural preferences for gas within some communities, and members encouraged further engagement with small businesses and any other underrepresented sectors.

## 2.9 Meeting 62 – 20 March 2025

### Overview of Evoenergy’s draft five-year gas plan (new proposed approach to disconnections, capital base recovery, demand and tariffs, next steps)

#### Overview of what was presented

- The results of Evoenergy’s independent safety assessment of the risks associated with residential non-consuming services connected to Evoenergy’s gas network which concluded that the costs associated with permanently disconnecting all non-consuming properties is disproportionate to the risk and Evoenergy’s proposed approach to permanent disconnections, including the introduction of Basic and complex permanent disconnection options.
- Forecast bill impacts, approach to adjusting and flattening tariffs, and capital base recovery.

#### What we heard

Members supported the move toward safer, permanent disconnections, particularly if the process is made more affordable.

Discussion included concerns about remaining customers bearing higher network costs and how quickly electrification might proceed. Members wanted Evoenergy to be more visible in customer-facing communication rather than relying on third parties.

## 2.10 Meeting 63 – 2 May 2025

### Overview of feedback on the draft five-year gas plan and demand forecast update

### **Overview of what was presented**

- Members were presented with key feedback themes on the draft plan which was released for public consultation from 3 March to 4 April 2025.
- Updates on gas demand forecasting were shared, including customer behaviour trends and modelling inputs.

### **What we heard**

Some members sought clarification on customer profile assumptions, ACT vs. NSW differences, and how forecasts account for government policy. There were questions about reversibility of disconnections, whether permanent disconnection costs could be absorbed.

There were also queries about how Evoenergy is communicating disconnections, with a preference expressed for consistent messaging.

A member asked whether the ACT Government had a position on abolishment. Although in attendance for an unrelated agenda item, the ACT Government representative contributed to the discussion, noting that its report findings broadly aligned with Evoenergy's safety assessment.

Members indicated they had further questions about disconnections, and Evoenergy noted these would be addressed at the next ECRC meeting.

Members also observed their support for the approach used to derive Evoenergy's demand forecasts and expressed interest in better understanding the results for customer cohorts (e.g. renters, lower income households).

## **2.11 Meeting 64 – 12 June 2025**

### **Overview of what was presented**

- Evoenergy provided an update on the draft five-year gas plan, with a focus on demand forecasting and the proposed approach to gas disconnection services and safety.
- Demand forecasts were informed by a survey of 1,900 customers, which explored household and commercial electrification readiness, appliance use, switching behaviours, and the influence of government policies.
- Evoenergy also outlined its proposed disconnection approach, noting that a full disconnection of all sites is not planned due to the disproportionate cost relative to the safety risk. Disconnection would instead be required for demolitions and sales, or available upon customer request.
- A tiered disconnection pricing structure was proposed, alongside a \$1.5 million awareness campaign to address confusion between temporary and permanent disconnections. The campaign cost would be recovered through the temporary disconnection fee.

### **Discussion and feedback**

Members welcomed the use of customer insights to inform demand forecasts and emphasised the importance of recognising challenges faced by renters and low-income households, particularly in relation to the upfront costs of appliance replacement.

Questions were raised about how likely customers are to act on stated intentions, how regional policy differences (e.g. in Queanbeyan) affect transition timelines, and the influence of government programs on customer decisions. Members encouraged Evoenergy to continue tracking these dynamics over time.

Regarding disconnections, members asked questions about how costs were determined and how customers will be supported and informed throughout the process.

There was general support for an education campaign to improve understanding of permanent disconnections. Members suggested co-designing messages with diverse customer groups, including renters, culturally and linguistically diverse communities, and property owners.

One member expressed the view that the additional cost of the safety control program should be absorbed by Evoenergy, rather than recovered through the temporary disconnection fee.

Another noted that the proposed recovery method seemed reasonable and the dollar amounts fair, but suggested it may be helpful to clarify that temporary disconnection does not allow homeowners to begin removing appliances without the support of a licensed gasfitter.

### 3. Conclusion

Over 18 months, the ECRC has provided Evoenergy with valuable and evolving input into the development of the five-year gas plan. Discussions progressed from foundational issues like disconnection options and customer safety, to deeper exploration of equity, tariff structures, and long-term cost recovery as customers transition.

Across these meetings, the Council demonstrated growing familiarity and confidence with the complex decisions involved in managing a declining gas network. Members considered trade-offs, offered practical insights, and challenged Evoenergy to centre its decisions on fairness, equity, clarity, and community outcomes.

The engagement journey shows a steady accumulation of knowledge and ideas, with members drawing on earlier meetings to inform later discussions. Feedback reflected not only short-term concerns but also long-term expectations around affordability, safety, and equitable planning.

Throughout the process, the ECRC was also kept informed of what was presented and heard in other deliberative forums and updates based on current data and information. This ensured members had broader visibility of customer and stakeholder views and enabled richer, more informed discussion.

Questions raised by ECRC members were addressed during meetings where possible or brought forward for further discussion in future sessions. This iterative approach supported transparency and ensured feedback loops remained active and meaningful.

Through structured engagement with the ECRC – supported by tools like Slido polling and open dialogue – Evoenergy was able to test ideas, identify potential issues, and better understand consumer and stakeholder perspectives. This input has helped shape the five-year gas plan and will continue to inform Evoenergy's next steps as it finalises its gas plan and prepares for implementation.