

Mr Arek Gulbenkoglou
General Manager, Network Expenditure
Australian Energy Regulator
GPO Box 3131
Canberra, ACT, 2601

15 August 2025

Dear Mr Gulbenkoglou

Evoenergy's 2026–31 access arrangement proposal

ActewAGL Retail (ActewAGL) welcomes the opportunity to provide feedback to the Australian Energy Regulator (AER) on Evoenergy's access arrangement proposal for 2026–31. This feedback is in addition to that already provided to Evoenergy through discussions during the development of its proposal.

ActewAGL is an energy retailer servicing the Canberra region and surrounding areas of south-east New South Wales, including Queanbeyan, Goulburn, the Snowy Mountains, Nowra and the South Coast.

ActewAGL is committed to supporting the region's transition to a sustainable net zero emissions future, and our customers are also increasingly looking for sustainable solutions, including electrification of their homes and businesses. Our *Electrify with ActewAGL* program, as well as ACT Government incentives, are helping many customers navigate their electrification journey. Those who have already made the investment to switch from gas to a single energy source are experiencing material savings on their overall ongoing energy costs, particularly when this is complemented by investment in consumer energy resources such as solar panels.

ActewAGL acknowledges that many gas customers may be unable to electrify their homes or businesses due to financial, personal, or tenancy-related constraints. We are concerned about the disproportionate cost impacts on those remaining on the gas network as electrification progresses and customer numbers decline. To ensure a fair transition to 2045, ActewAGL advocates for a long-term, flexible regulatory approach that reflects regional circumstances, safeguards affordability for remaining customers and maintains access to safe, reliable gas supply.

With customer departures from the gas network expected to accelerate during 2026–31, it is essential that disconnection and connection policies are tailored to regional conditions and structured to prevent undue cost burdens on those customers remaining. ActewAGL refers to its views on these matters in response to the Australian Energy Market Commission's consultation paper regarding two related proposed rule changes.¹ We support Evoenergy's proposed targeted approach to permanent disconnections and continuation of a user pays approach to disconnection services. Imposing these costs on remaining customers through

¹ [ActewAGL 2025, Submission: Proposed amendments to the National Energy Retail Rules: Permanent gas abolishment and temporary disconnection](#), 10 July 2025

socialisation would likely lead to inefficient levels of disconnection service requests being made and would increase the cost burden on those remaining gas customers who are not in a position to electrify their homes or businesses.

ActewAGL observes that the disconnection process can be a source of confusion and frustration for our customers. We support further progress to improve the clarity of information and processes in relation to disconnecting from the gas network, as well as ensure the community understands the associated safety risks. As this is particularly important for temporarily disconnected sites, we support Evoenergy's proposal to build the cost of a Safety Control Program into the temporary disconnection charge.

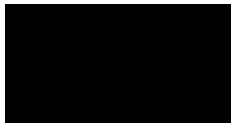
ActewAGL's customers value simple, transparent tariffs that clearly link usage to cost. In the ACT, residential gas consumption is highly seasonal, with peak usage in winter for space heating. Declining block tariffs help smooth bills across the year and mitigate winter bill shock, supporting affordability and predictability.

ActewAGL does not support proposals to flatten tariff blocks or remove the declining structure. Evoenergy's proposal to flatten its volume tariff appears to assume this will improve affordability during the energy transition. However, ActewAGL's analysis of customer data shows that many vulnerable residential customers are large gas users for essential heating who would face higher bills under flat tariffs and are also least able to electrify due to prohibitive upfront costs. Moreover, flat tariffs risk accelerating disconnection among large users, increasing the cost burden on those unable to leave the network.

At a time when gas demand is falling and network prices are forecast to increase, changes to network tariffs or introducing new tariffs can put additional pressure on system costs and add to complexity. Some of these costs and complexities include billing implementation, customer support, and the impact on customers seeking to understand how tariff changes impact their energy bills.

ActewAGL welcomes continued engagement with Evoenergy and the AER on this review. Should you have any questions in relation to this submission please contact Rohan Richardson, Group Manager Pricing, Analytics and Regulatory by phone on ([REDACTED])

Yours sincerely



Rachael Turner
General Manager – ActewAGL Retail