



**Property Council of Australia** ABN 13 00847 4422

**A** Level 4, 10 Moore Street, Canberra ACT 2601

**E** [info@propertycouncil.com.au](mailto:info@propertycouncil.com.au)

**W** [propertycouncil.com.au](http://propertycouncil.com.au)

**T** [@propertycouncil](https://twitter.com/propertycouncil)

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Australian Energy Regulator (AER)

**By email: [aergasresets2026-31@aer.gov.au](mailto:aergasresets2026-31@aer.gov.au)**

## **Evoenergy's revised five-year gas plan 2026-31 ACT and Queanbeyan-Palerang gas network access arrangement 2026-31**

### About Us

The Property Council of Australia is the leading advocate and biggest employer for the nation's largest industry. In the ACT, the property sector continues to account directly for more than \$4.5 billion in economic activity, a further \$2.1 billion indirectly, and one in seven jobs.

Property is the beating heart of the ACT's success across all measures – with almost 45 per cent of tax and royalty revenue being contributed by the sector. The continued success of Canberra depends on the success of property, development, and the built environment.

Members of the ACT & Capital Region Division of the Property Council include the people and companies who plan, design, invest, own, manage, support, and build the homes for Canberrans. We are committed to great cities, strong economies, and sustainable communities.

### Overview

The Property Council recognises and supports the ACT Government's legislative pathway to net zero emissions by 2045, and the need for Evoenergy to safely and efficiently manage a declining gas network during the electrification transition.

However, it must be recognised that commercial, mixed-use and multi-tenant buildings face materially different constraints and risk exposures to residential customers and must be explicitly considered in the final access arrangement.

Many commercial buildings in the Territory continue to rely on gas for centralised heating, hot water, commercial kitchens, process heat or redundancy, and face technical, heritage, space, grid-capacity and capital constraints that make rapid electrification impractical within the 2026-31 period. These buildings are therefore structurally more likely to remain connected to the gas network longer than detached residential dwellings.

The access arrangement should explicitly recognise that commercial and multi-tenant buildings cannot transition at the same pace as residential users, and that network pricing and cost recovery should not assume homogenous customer behaviour.

The plan indicates significantly higher absolute annual network charge increases for business customers than for residential users during 2026-31, reflecting both usage levels and declining

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customer numbers. With the proposed approach, there is a real risk that commercial customers become a residual customer base and bear a disproportionate share of legacy network costs as residential customers exit. The AER should closely test whether the proposed cost allocation outcomes remain equitable across customer classes, particularly for businesses that have limited near-term ability to electrify.

The access arrangements must be robust to ACT-specific policy settings that ensure commercial customers are not indirectly subsidising the early exit of other customer classes.

Evoenergy's revised plan places strong emphasis on accelerated depreciation and earlier recovery of historic investment to manage long-term network contraction. For property owners this raises questions about intergenerational equity between customers exiting early and those remaining, and the extent to which commercial customers are funding assets that primarily served residential growth. There also needs to be price predictability over the life of long-term property investments. We seek clearer justification and transparency around how depreciation and cost recovery decisions affect different customer classes, particularly the commercial and multi-tenant buildings.

The AER should ensure the final plan reflects real-world building constraints and does not rely on overly optimistic assumptions about commercial electrification timeframes.

A well-managed transition requires differentiated treatment, not a one size fits all assumption.

If you would like further clarification on the information outlined above, please do not hesitate to contact me.

Regards,



Ashlee Berry  
ACT & Capital Region Executive Director  
Property Council of Australia