



Submission to the Australian Energy Regulator re AusNet's variation proposal to its Access Arrangement 2023-2028

Lighter Footprints welcomes the opportunity to make a submission to the AER regarding AusNet's variation proposal to its Access arrangement 2023-2028

Who We Are

Lighter Footprints is a community-based group located in Naarm, Melbourne that lobbies Australian local, state and national decision makers to take the action necessary to halt global warming as a matter of urgency. For eighteen years, we have educated, advocated and brought people together in Boroondara and surrounding suburbs to inform the community and promote a clean energy future. We have 3,500 supporters on our mailing list.

As an environmental group focused on tackling climate change, we are dismayed at the failure of successive governments to take decisive action although we acknowledge that Australia now has plans to decarbonise the national grid¹ and has set emissions reduction targets. We also acknowledge that the ACT and Victoria governments have introduced legislation impacting the gas networks in Victoria and the ACT.

Ausnet's proposal

Ausnet has submitted a proposal to vary its recently approved Access Arrangement for 2023-2028. AusNet argues that, given long term network decline is now inevitable, further accelerated depreciation is justified on purely economic grounds. AusNet also agrees with the AER that the short-term impact on customer bills remains a relevant consideration.

Our views

We agree with AusNet that long term network decline is now inevitable and we hope that Victorian legislation is introduced that results in:

- A gas appliance ban for rental properties being introduced during 2025.
- The electrification of commercial buildings and introducing an end-of-life gas appliance replacement ban for all residential customers.

In addition to the above we would like to see the sale of gas appliances in Victoria banned as soon as possible.

We also believe that these changes should result in changes to the current regulatory framework to avoid piecemeal dismantling of the gas network which will be inefficient and expensive. This will inevitably result in those who can least afford it paying more. We hope that governments are working on suitable changes and are developing plans to manage the network decline.

¹ AEMO's 2024 Integrated System Plan (ISP)

We prefer to see changes to the regulatory framework, but in their absence of appropriate changes to the regulatory framework we support AusNet's proposal for its accelerated depreciation to be increased from the \$105m approved by the AER to \$175m as long as this is accompanied by the following changes:

- AusNet's capex for the 2023-2028 period should be reduced to remove additional services capex in line with the recent Victorian Government decision.
- AusNet should review its capex to reflect the long-term network decline while maintaining network safety.

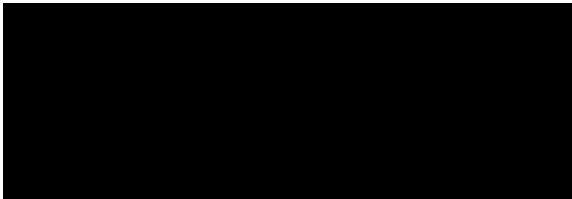
We agree to publication of this submission.

The closing date for the committee receiving submissions is 29 November 2024.

SUBMISSION BY:

Organisation name: Lighter Footprints Inc.
Organisation Position: Convenor – Energy Transition Group
Date: 29 November 2024

This submission has been authorised by:



David Strang
Convenor, Energy Transition Group
Lighter Footprints Inc