



darebin climate action now
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Submission to the Australian Energy Regulator

Access Arrangements 2023-2028 for AGN, Multinet and Ausnet

Prepared for Darebin Climate Action Now (DCAN)

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Background

Darebin Climate Action Now (DCAN) is a local not-for-profit organisation of City of Darebin residents of diverse ages and backgrounds who are concerned about the climate emergency. We work to educate ourselves and members of our local community about its causes and the required responses, and actively encourage all three levels of government to adopt the policy changes that are now urgently needed to ensure a safe climate future. Over 4,500 DCAN supporters have taken action in support of a stronger Government response to this crisis.

DCAN is committed to a socially just transition to a zero carbon economy. We recently led the formation of the Darebin Climate Alliance, which includes 25 local groups concerned about achieving a safe climate future for everyone. These groups include community houses, community gardens, 'Friends' of parks and creeks, and sustainability groups. DCAN was a stakeholder partner in the Metropolitan Community Power Hub which worked to facilitate the uptake of renewable energy and energy efficiency measures by local households and businesses. We recently convened a meeting with Darebin Council officers and the Earthworker Smart Energy Cooperative on promoting energy efficiency measures for low income households.

Our submission

The arguments that DCAN made in its submission last year have not changed.

We wish to make these supplementary comments in relation to all three gas distribution [Access Arrangements](#) that are under review:

1. We do not support the approach of 'cost recovery' in the case of abolishment. Instead, AER should be incentivising the gas distributors to identify better ways of achieving safe and cheap abolishment.
2. We support the proposal of Alan Pears AM (his submission) to spread the cost of abolishment of gas pipelines across all electricity and gas users, rather than on disconnecting gas users alone or the declining pool of gas users. This really is a 'win-win' and consistent with ideas floated by Senior Energy Officials (see next point).
3. It is highly significant, and relevant to Access Arrangements, that late in 2022 Senior Energy Officials sought [public comment](#) on whether national gas and electricity laws and regulations should address the inter-dependence of energy markets, rather than treating gas and electricity in isolation. Here are extracts from the discussion paper:
 - "The NEL and NGL were drafted to manage the two energy markets and systems separately, however, the gas and electricity markets are increasingly intertwined and interdependent."
 - "... it will likely be necessary for market bodies to consider how decisions in one market (gas) affect outcomes in another (electricity), and vice versa."
 - "... holistic consideration of the interrelated impacts of market bodies' decisions on the electricity and gas markets may facilitate outcomes which are in the long-term interests of all energy consumers."
 - "To address these issues, Officials therefore propose replacing current references to 'consumers of electricity' in the NEO and 'consumers of natural gas' in the NGO, with 'consumers of energy'."
 - "... the NEL and NGL would still be focused on the relevant energy market, and the market bodies would still have the function of ensuring each of these energy markets operate optimally with regards to the relevant energy objective for that law."
 - "Officials consider this amendment, for example, will assist: "... the AER to consider the impact of its economic regulatory decisions on all energy consumers."
 - "Overall, this possible additional change would therefore recognise that in changing the objective to promote a broader outcome ... it would be inappropriate for decisions makers under the laws to then be limited to considering only particular variables that may be relevant to achieving that broader outcome."
4. We encourage AER, before making its final determination, to consider the wider application of the above points to other aspects of the Access Arrangement for AGN (and other gas distributors).

As a secondary point, the gas distributors should be discouraged from claiming that 'customers' believe this or that when the consultations typically involve less than 50 gas consumers (see for example [Attachment 7.1](#) in AGN's submission). Such claims would only be valid if a statistically significant number of customers were surveyed. The distributors should instead refer to participants in 'focus groups' or 'customer panels' believing this or that.