ENERGY CONSUMERS AUSTRALIA

Submission to NSW IPART on monitoring the retail electricity and gas market 2025-26

Submission to the NSW Independent Pricing and Regulatory Tribunal

DATE: 1/09/2026

Energy Consumers Australia is the national voice for household and small business energy consumers. We advocate for a fair, affordable, and reliable energy system that meets everyone's needs and leaves no one behind on the journey to net zero.

Energy Consumers Australia (ECA) welcomes the opportunity to respond to the Independent Pricing and Regulatory Tribunal's (IPART) Consultation Paper on monitoring the retail electricity and gas markets in New South Wales for 2025–26.

IPART's annual market-monitoring reports provide detailed and valuable information about prices, competition, customer participation and emerging energy services. This is particularly important as tariff structures and pricing models change, new energy services and consumer energy resources (CER) are introduced, and gas demand declines while electrification accelerates. These developments create opportunities for consumers, but they also make the market significantly more complex. The burden of managing energy costs, choosing appropriate plans, participating in new services and navigating reforms increasingly falls on households and small businesses.

In this context, ECA encourages IPART to look beyond describing market activity and to focus more explicitly on consumer outcomes. That means examining not only how many offers exist, how many customers switch or how many devices are installed, but who benefits, who faces higher costs, and who is unable to participate. It also means identifying where existing settings are not delivering fair or efficient outcomes, and where policy, regulatory or data improvements may be required. Where energy markets are failing to deliver good outcomes for consumers, IPART should make recommendations to the NSW Government, energy market bodies or other relevant bodies. Evidence of poor consumer outcomes would also support consideration of reforms such as an energy consumer duty as part of the Better Energy Customer Experiences reform process. ECA continues to advocate strongly for the need for an overarching duty that would require energy providers to deliver good outcomes to consumers by default, rather than consumers having the burden of navigating a complex energy market.

National regulatory bodies, including the Australian Energy Regulator (AER), Australian Energy Market Commission (AEMC) and Australian Competition and Consumer Commission (ACCC), monitor the broader National Electricity Market and national consumer outcomes. IPART has a distinct NSW consumer mandate under section 234A of the National Energy Retail Law (NSW). This gives it an important role in examining how national reforms and state policies affect households and small businesses in NSW and to report on how changing market conditions affect NSW consumers.

The 2024–25 reports provide a strong foundation for this work. They identified significant price differences between offers, a loyalty tax affecting customers on older plans, persistent affordability pressures, declining gas demand, increasing participation in CER and substantial variation in the design and value of virtual power plant (VPP) offers. For 2025–26, IPART should build on this work by placing greater emphasis on outcomes, distributional impacts and the effectiveness of reforms, and by highlighting where additional action may be needed to ensure that the energy transition delivers fair and accessible outcomes for all NSW consumers.

Recent ECA research using smart meter data for more than 1.1 million Queensland households shows there is no "typical" household: grid electricity use is highly diverse and strongly influenced by factors outside household control, such as climate, dwelling type and tenure.[1] Vulnerability is associated with both higher and lower grid use, and many drivers of consumption cannot be changed by individual households. This reinforces the need for IPART to move beyond average or typical household

[1] There is no typical household: The distribution and drivers of Queensland household electricity use | Energy Consumers Australia

assumptions and to examine how market changes affect different types of NSW consumers, including renters, apartment residents, regional customers and people with specific medical or accessibility needs.

In this submission, ECA recommends additional analysis on:

- the design, uptake and consumer outcomes of the proposed Solar Sharer Offer;
- the use of same-name plans and better-offer messages and their impact on consumer understanding and switching;
- electricity disconnections for non-payment as an indicator of affordability and payment difficulty;
- trends in gas connections, dormant connections and abolishments;
- gas tariff structures as demand declines;
- the uptake and consumer outcomes of NSW energy efficiency, electrification and VPP incentive programs;
- changes in the number of life support customers; and
- the implementation and consumer outcomes of embedded-network reforms.

Under Question 2, we also highlight emerging issues relating to upfront gas connection charges, consumer protection and dispute resolution for new energy services and related sales practices, and impact of data centres to consumers.

If you have any questions about this submission, please contact Claire Ohk at Claire.Ohk@energyconsumersaustralia.com.au.

Question 1. What other analysis should IPART consider when reporting on pricing, competitive dynamics and consumer participation in the NSW electricity and gas markets for 2025-26?

ECA recommends that IPART consider the following additional analysis when reporting on pricing, competitive dynamics and consumer participation in the NSW electricity and gas markets for 2025–26.

Solar Sharer Offer (SSO)

IPART should monitor the availability, design and uptake of SSO offers in NSW. This should include the number and characteristics of participating customers, and whether customers need to materially change their consumption patterns to benefit.

When ECA surveyed Australians in May 2026, less than 3 in 10 were aware of the SSO.[2] While awareness of the SSO is low, many said they would be interested in signing up if it were available to them. Nearly half (48%) of the people we surveyed had some interest in joining the SSO.[3] For some households, especially those unable to shift a meaningful share of their usage into the free window, the SSO may deliver little or no saving, and in some cases could leave them worse off compared with standing and market flat-rate or time-of-use plans.

Therefore, to understand outcomes in NSW, IPART should compare the outcomes of SSO plans with both standing and market offers, including flat rate, time-of-use, free power, and solar-soaker offers. Comparing the SSO with market offers is important because savings claims for the SSO are based on the DMO. However, as at 31 March 2025, 92% of NSW residential customers were on market offers.[4]

[2] ECA, The Solar Sharer Offer will be available soon – but how many consumers will sign up? And should they?
[3] Ibid.
[4] Annual Report - Monitoring the NSW retail electricity market 2024-25 - November 2025 | IPART, 57.

The DMO is therefore not the most representative benchmark for the large majority of NSW residential customers. Comparing the SSO with available market offers would provide a more realistic assessment of whether customers are likely to save.The analysis should consider customers with different load profiles, including people who are at home during the day, households with electric hot water or electric vehicles, and renters.

This analysis would show whether the SSO is delivering meaningful savings to customers, and who the SSO is and is not good for, as the SSO evolves. It would also help identify whether customers understand the trade-off between free daytime usage and potentially higher prices at other times. Monitoring should include bill outcomes for customers who participate in the SSO, not only the advertised features of the offers.

Same-name plans and better-offer messages

IPART should continue to monitor the use of identical or near-identical plan names for offers with different prices, conditions or eligibility requirements. For instance the 2023–24 electricity report found that bsed on a review of residential offers on Energy Made Easy, for the 2233 postcode, IPART found that 48% of flat-rate offers available had the same name as time-of-use plans from the same retailer.[5]

This issue is important because it can undermine the effectiveness of better-offer messages, and more broadly confuses consumers. A cosumer may reasonably assume that they are already on the plan named in their bill, or may not understand that a newer version of the same plan has different rates. The problem is particularly significant for consumers who rely on the retailer's message rather than independently comparing offers.

As the AER's revised retail guidelines are released in late September this year, monitoring this will provide an important baseline to understand the impacts of guideline changes. It will also help assess whether retailers are taking sufficient responsibility for ensuring their communications and product design do not mislead or confuse customers, or whether outcomes-based regulation will better ensure products and services help consumers can make informed decisions without having to untangle complex and inconsistent offer structures.[6]

Electricity disconnections for non-payment

IPART should report electricity disconnections for non-payment in the same way it reports gas disconnections. Electricity disconnection data is an important indicator of affordability pressures and payment difficulty, particularly as electricity remains an essential service and is increasingly important for heating, cooling, cooking and medical equipment.

The analysis should include:

- the number of disconnections for non-payment;
- the number of customers disconnected more than once;
- the duration of disconnections;
- disconnections involving customers previously identified as experiencing payment difficulty;
- reconnection times;
- differences between residential and small business customers; and
- trends across metropolitan and regional areas.

IPART should consider whether disconnections are increasing or decreasing after accounting for customer numbers and seasonal effects. It should also examine how disconnection trends relate to

[5] Annual Report - Monitoring the NSW retail electricity market 2023-24 - November 2024 | IPART, 57.
[6] Exploring a consumer duty for Australia's energy market | Energy Consumers Australia

hardship program participation, energy debt, payment plans, rebates and Energy Accounts Payment Assistance (EAPA).

Gas connections, dormant connections and abolishments

The decline in gas demand and the transition towards electrification make it increasingly important to understand what is happening to gas connections. IPART's 2024–25 gas report found fewer new connections, more dormant connections and continuing customer movement away from gas. In the Jemena network, there were 21,835 new connections in 2024–25, while 41,817 more connections became dormant for more than 12 months.[7]

Dormant connections require particular attention. A customer may retain a connection but use no gas for various types of reasons such as electrification, vacancy, renovation, affordability pressures or changes in occupancy. Dormancy (particularly one for longer than 12 months) therefore provides a potentially important early indicator of changing demand, before a customer formally abolishes the connection.

In response to the new rules introduced in October 2026 for new connections[8], as well NSW local councils looking to introduce requirements in their control development plans for new buildings to be all-electric[9], IPART should examine the relationship between new housing construction and new gas connections. This should include the number of new residential developments or dwellings completed in NSW, the number connected to gas, and the proportion using all-electric, gas-electric or other configurations such as embedded networks. Understand new connections of gas networks helps provide a clearer picture for consumer demand, and more informative than reporting the absolute number of connections alone.

Gas tariff structures and declining demand

IPART should also undertake a more detailed analysis of gas tariff structures for both residential and small business customers. This should include the level and structure of supply charges, the number of usage blocks or step tariffs, the relationship between fixed and variable charges, and the proportion of total costs recovered through each component.

As gas consumption declines, the way network costs are recovered will become increasingly important. If more costs are recovered through supply charges, low-use customers may face disproportionately high bills. If costs are recovered primarily through usage charges, customers with higher consumption may bear a greater share of network costs, but this may also affect incentives to electrify.

IPART should examine:

- the distribution of supply charges across retailers and networks;
- the number and design of usage blocks;
- the relationship between supply charges and estimated annual bills;
- differences between residential and small business offers;
- how tariffs affect low-use and high-use customers; and
- how tariff structures are changing as average consumption declines.

The analysis would help identify whether gas tariffs remain fit for purpose during the transition and whether customers are receiving clear information about how costs are recovered. It would also assist in assessing the risk that remaining gas customers face rising costs as network utilisation falls.

[7] IPART, 2024-25 Retail gas market monitoring report, 11
[8] Updating the regulatory framework for gas connections | AEMC
[9] For example, All electric buildings get the green light | City of Sydney - News

NSW energy efficiency and electrification programs

IPART should report on the uptake and indicative outcomes of NSW Government programs supporting energy efficiency, electrification and CER. This could include the Energy Savings Scheme, appliance replacement initiatives, electrification incentives, battery programs and other relevant programs operating during 2025–26.

The analysis should include:

- the number of participating households and small businesses;
- the geographic distribution of participation;
- the type and value of incentives;
- the technologies or appliances installed;
- participation by customer type and dwelling type e.g., standalone houses, apartments, where possible;
- estimated energy savings or demand reduction; and
- evidence of bill impacts or other consumer benefits.

Monitoring uptake alone is not sufficient. IPART should consider whether programs are reaching customers who are most likely to experience energy hardship or face barriers to electrification. It should also consider whether the benefits are additional, or whether programs are primarily supporting customers who would have undertaken the investment without assistance.

This would provide a stronger basis for assessing whether public expenditure is delivering equitable consumer outcomes and whether program design is supporting the households and small businesses least able to participate independently.

IPART should also report specifically on the NSW VPP incentive program. The 2024–25 report noted that participation in a VPP can materially improve battery payback periods, reducing the average payback period from 7.3 years to as little as 4 years. [10]

IPART should seek information such as:

- the number of customers who have taken up the incentive;
- the size of batteries enrolled through the program;
- the average and median incentive received;
- the distribution of incentives by battery capacity;
- the geographic distribution of uptake;
- the number of participants who remain enrolled;
- the services provided by participating batteries; and
- whether customers are receiving the expected bill or financial benefits.

This information would help assess whether the program is delivering value to participating consumers and contributing to broader system benefits. It would also allow IPART to compare the public incentive with the private benefits received by VPP operators and retailers.

Life support customers

IPART should report on the number of life support customers in NSW and changes in the life support register over time. This should include total registrations, new registrations, deregistrations, transfers between retailers and customers whose registration status changes because their medical

[10] IPART, 2024-25 Retail gas market monitoring report, 13

circumstances or equipment change. The analysis should distinguish between deregistration initiated by the customer, deregistration following unsuccessful medical confirmation and deregistration associated with moving premises or changing retailer, where possible.

Accurate information is important because life support customers face serious risks if their registration is not maintained or if retailers and distributors do not communicate effectively. The AEMC's reforms to improve life support processes will not take effect until December 2027, making interim monitoring particularly important.

Embedded network outcomes

Although the consultation paper identifies embedded-network reforms as an issue already being addressed, IPART should monitor their implementation and consumer outcomes in NSW. The reforms that commenced on 1 July 2026 aim to provide embedded-network customers with similar prices and protections to on-market customers, including access to EWON and greater transparency about services and prices.

IPART should report on:

- the number of embedded-network customers covered by the reforms;
- the number and type of embedded-network sellers;
- prices paid by embedded-network customers compared with comparable on-market customers, and how this has changed as a result of the reform;
- access to concessions, rebates and hardship assistance;
- complaints and dispute-resolution outcomes;
- compliance with publication and information requirements; and
- the treatment of electricity, gas, hot water and centralised air-conditioning services.

Embedded-network customers may face particular difficulties because energy services can be bundled with rent, strata arrangements or other building services. Monitoring should therefore consider the total cost and quality of the service, not only the electricity usage rate.

Question 2. Are there any additional issues not identified in section 2 below that IPART should explore as part of its 2025-26 energy market monitoring report?

ECA supports IPART's proposal to consider emerging issues that are not already being examined through other processes. However, it is not always clear what questions IPART intends to answer through the reviews listed in section 2 of the Consultation Paper. Future consultation papers would be more useful if they set out, for each review or issue:

- the consumer problem being examined;
- the outcomes IPART intends to measure;
- the evidence it expects to collect; and
- the decisions or future monitoring priorities that could follow.

This would allow stakeholders to provide more targeted and useful feedback. In addition to the matters identified in section 2, ECA recommends that IPART consider the following issues.

Gas connection costs from October 2026 and NSW councils adoption all-electric control development plans

In addition to ongoing monitoring of gas connections, dormant connections and abolishments in NSW, IPART should consider the final rule to update the regulatory framework for gas connections.[11] The rule requires distributors to charge newly connecting retail gas customers an upfront, cost-reflective connection charge, removing the previous net present value test under Rule 119M of the National Gas Rules. The rule applies to retail customers on scheme and nominated non-scheme pipelines in NECF jurisdictions (NSW, ACT, SA, QLD) and has a commencement date of 1 October 2026.

Monitoring should also consider interaction with local planning settings. A number of NSW councils have adopted all-electric controls for new developments. Public reporting indicates that, as of 2025, 14 councils have implemented or are actively implementing local electrification changes, representing more than 60% of NSW's population, with additional councils (including Byron Shire, Wagga Wagga City and North Sydney) moving to explore similar changes.[12]

Issues and complaints for new energy services and related sales practices

The ACCC's 2026 review of unsolicited selling and lead generation found that solar and energy devices are the second highest category of purchases sold through unsolicited channels.[13] Consumers who purchase these products often use credit arrangements (including Buy Now, Pay Later) and may experience financial and psychological harm, particularly where high-pressure or misleading sales practices are used.[14] The review also identified widespread non-compliance with unsolicited consumer agreement protections and significant concerns about consent, privacy and lead generation in digital marketing.[15]

These issues are directly relevant to NSW consumers participating in the energy transition. Complaints about CER and bundled energy services increasingly involve not only retailers and distributors, but also third-party installers, financiers, VPP operators and lead generators.[16]

To understand whether consumers have effective avenues of redress and whether market conduct is consistent with fair and efficient outcomes, IPART should monitor:

- Complaint volumes and themes – the number, nature and outcomes of complaints to EWON, NSW Fair Trading and retailers involving CER, VPPs, demand response services, financing arrangements and lead generation, including complaints about unsolicited selling, high-pressure sales, misleading representations, contract terms, billing and performance of installed systems.
- Interaction with consumer protection enforcement – how issues identified in the ACCC's unsolicited selling and lead generation review (including in relation to solar and battery sales) are appearing in NSW energy markets, and whether existing regulatory and dispute resolution frameworks are adequately addressing consumer harm.

Building on IPART's previous findings regarding VPP price variation, monitoring should also address why actual VPP enrollment lags so far behind physical battery uptake. ECA research shows that while 64% of battery owners are interested in VPPs, actual participation remains stalled between 4% and 10%.[17]

[11] AEMC, Updating the regulatory framework for gas connections
[12] Annual Impact Report 2025 — 350 Australia
[13] ACCC, Unsolicited selling and lead generation: a review of the consumer experience and business practices, 13
[14] Ibid., 20
[15] Ibid., 30
[16] EWON's submission to IPART Monitoring the NSW retail energy markets 2024-25.
[17] Consumer Energy Report Card: Why households adopt batteries and why many aren't joining a Virtual Power Plant (VPP) | Energy Consumers Australia

Data centres and large new loads

The rapid growth of data centres and other large electricity loads raises important questions about network investment, cost allocation and consumer impacts. They may also require significant network augmentation and contribute to higher system costs.

The NSW Government's consultation on reforming electricity network arrangements for data centres notes that data centres with high-capacity connections but low usage may not pay enough in network charges over time to cover the network costs they create, because network charges are predominantly based on usage. [18] This raises the risk that remaining customers, including households and small businesses, could bear a greater share of network costs.

Independent analysis also suggests that, without additional renewables and storage to support data centre growth, wholesale prices could increase by around 26% in NSW by 2035. [19]

IPART should consider the impact of data centres when monitoring electricity prices. This would help assess whether cost allocation remains consistent with the principle that those who cause or benefit from additional costs should make an appropriate contribution, and whether the energy transition is delivering fair outcomes for all NSW consumers.

[18] Reforming electricity network connection and cost recovery arrangements for data centres in NSW: consultation pagper
[19] Getting the balance right: Australian data centre growth and the energy transition | Baringa

The national voice for residential and small business energy consumers

PO Box A989,
Sydney South NSW 1235
T 02 9220 5500

energyconsumersaustralia.com.au