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Mr Warwick Anderson
General Manager
Australian Energy Regulator
GPO Box 3131
Canberra, ACT 2601

**ENERGY CONSUMERS AUSTRALIA SUBMISSION TO THE AUSTRALIAN ENERGY
REGULATOR'S REVIEW OF GAS DISTRIBUTION NETWORK REFERENCE TARIFF VARIATION
MECHANISM AND DECLINING BLOCK TARIFFS ISSUES PAPER**

Dear Warwick

Energy Consumers Australia appreciates the opportunity to provide comments on the Australian Energy Regulator's (AER) review of how gas distribution reference tariffs are varied from year to year, and their structure.

As you know, Energy Consumers Australia is the national voice of residential and small business energy consumers. Consumers should be able to expect an affordable and orderly transition to a decarbonised energy system. However, only a small proportion of consumers believe the impacts of the transition on their households and small businesses have been clearly explained to them.

Most gas customers are unlikely to be aware of the significant uncertainty facing gas networks and the true implications of the transition away from fossil-fuel gas across the economy. These issues place material risks on consumers. We recently engaged Boardroom Energy to better understand these risks, and we refer to their [paper](#) as the main content of our submission.

We welcome the opportunity to engage with these issues and support this review. However, we would like to see the review in the context of:

- a broader discussion of the future of the gas networks;
- greater consideration for explaining to consumers how they will need to adapt and respond to potential material electrification of the economy; and
- a consideration of whether the current National Gas Rules are fit for purpose, particularly for networks with customer numbers that potentially decline rapidly.

Thank you for the opportunity to provide our feedback. We will continue to engage with AER on the uncertain future of the gas network because of the impact it will have on consumers.

If you have any questions about our comments in this submission, or require further detail, please contact Ashley Bradshaw at ashley.bradshaw@energyconsumersaustralia.com.au

Yours sincerely

Brian Spak
Director, Energy System Transition