



Environmental Defenders Office

Our Ref:KR:S3894

29 August 2023

Clare Savage
Chair
Australian Energy Regulator

By email: clare.savage@aer.gov.au

Dear Ms Savage

Charges for permanent disconnection from gas network in NSW

We act for Dr Saul Griffith, an engineer and entrepreneur specialising in clean and renewable energy technologies, climate and energy policy and the Co-Founder and Chief Scientist of Rewiring Australia; and Doctors for the Environment, an organisation of doctors who have concerns about the health impacts of gas use within homes.

We write on our clients' behalf to raise several concerns relating to permanent disconnections from gas networks for consumers in New South Wales (**NSW**). Our clients seek an urgent review of charges for gas connection abolishment and disconnection and in the meantime immediate changes to the associated charges in NSW.

We address the following in this letter:

- (a) firstly, the costs associated with permanently disconnecting from the gas network for consumers in NSW, which are determined by the Australian Energy Regulator (**AER**) as part of National Gas Rules;
- (b) secondly, the key reasons consumers are increasingly seeking to permanently disconnect from the gas network, namely health concerns, concerns about climate change, and cost benefits;
- (c) thirdly, the key competition and consumer issues arising in relation to these concerns; and
- (d) fourthly, the immediate need for changes to the charges for permanent disconnection from gas networks for consumers in NSW.

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We set out at **Annexure A** brief case studies of several individuals who have sought or are seeking to permanently disconnect from the gas network, to highlight some of the issues raised here. These case studies are derived from our clients' experience in this area as well as media reports.

We seek to bring these issues to your attention noting the role of the AER in regulating covered gas pipelines in all Australian jurisdictions except Western Australia, and enforcing the Retail Law in New South Wales, South Australia, Tasmania, the ACT and Queensland.

1 Costs of permanently disconnecting from gas network in NSW

Our clients are concerned about the costs associated with permanently disconnecting residential gas connections in NSW.

Consumers seeking to permanently remove their gas connection must pay to have their gas connection abolished. Connection abolishment involves removal of pipes connecting a consumer's premises to the mains pipeline, sealing the mains and removing active gas equipment from the property. This is the safest option as it removes all risks associated with having a pressurised gas pipe, including risk of gas leaks and excavation strikes. The alternative option is to temporarily cap supply at the meter which can be reversed by removing the cap, known as disconnection. While this is a cheaper option, safety issues arise because gasified connection pipes remain underground. There is also the risk of greater exposure to potential methane leakages including from aging pipes,¹ which is a more potent greenhouse gas than carbon dioxide in terms of its contribution to global warming.² Changes in property ownership may increase safety risks where the new owners are unaware of the live gas assets.

The gas safety regulators in Victoria and the ACT have said that, when a customer chooses to stop using gas at their premises, permanent abolishment of the connection is required to minimise safety risks.³

¹ In relation to methane leakage from residential gas pipes, see, for example, Sydney Morning Herald, 'Sydney awash with leaks as research shows the climate cost of gas' (Article, 13 September 2020) <<https://www.smh.com.au/environment/climate-change/sydney-awash-with-leaks-as-research-shows-the-climate-cost-of-gas-20200828-p55qd5.html>>.

² Over a 20-year period, methane is 84 times more effective than CO₂ in trapping heat, and 28 times more effective over 100 years: Penny D Sackett, 'Expert Report on the Greenhouse Gas and Climate Implications of the Narrabri Gas Project 40 (SSD6456)' (9 August 2020) <https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2020/03/narrabri-gas-project/correspondence/edo/sackett-narrabri-gas-project-ipc-advice-revised_final.pdf>.

³ AER, 'Final decision: AusNet Gas Services gas distribution access arrangement 1 July 2023 to 30 June 2028' (June 2023) <<https://www.aer.gov.au/system/files/AER%20-%20AusNet%202023-28%20-%20Final%20Decision%20-%20Overview%20-%20June%202023.pdf>> (**2023 Victorian access arrangement**), page 7; ACT Energy, 'Switching off your gas connection: What you need to know' <<https://energy.act.gov.au/wp-content/uploads/2023/06/Switching-off-your-gas-Fact-sheet.pdf>>.

Disconnection charges range from an estimated average of \$38 in South Australia to \$68 in the ACT.⁴ Abolishment charges are substantially higher, for example Evo Energy in the ACT charges \$785 (excl GST)⁵ and ATCO in Western Australia charges \$1,139.80 (incl GST).⁶

Jemena Gas Networks (NSW) Ltd (**Jemena**) is the largest gas distributor in NSW and the sole distributor of gas in Sydney, Newcastle, the Central Coast, Wollongong, and more than 20 regional centres. Jemena currently charges \$1,381.60 (incl GST) per meter for abolishment.⁷

These fees are AER-approved charges under Jemena's current access arrangement for the period 1 July 2022 to 30 June 2025. The revision commencement date for Jemena's revised access arrangement is 1 July 2025, following a review submission date of 30 June 2024.⁸ We understand the AER has limited powers to alter Jemena's existing access arrangement prior to this review date.⁹

Our clients are concerned that Jemena's abolishment charge is prohibitively expensive for many consumers, contributing to the competition and consumer issues discussed at section 3. In addition, our clients are concerned that in certain instances:

- consumers consider Jemena's charge is higher the reasonable cost of the service, and some have obtained significantly lower third party quotes for the same services;
- some consumers who acquire a property with a gas connection that they never intend to use did not enter into any arrangement with Jemena, but are nonetheless subject to Jemena's deemed standard connection contract¹⁰ and burdened with the substantial fees associated with removing a utility they have never used;
- the charge is per meter, which for apartment blocks is a considerable cumulative fee despite potential cost savings for the removal of all meters at the same time; and
- many consumers have experienced unclear communication from Jemena and difficulty in arranging abolishment of their gas meters.

⁴ Grattan Institute, 'Getting off gas: why, how, and who should pay?' (June 2023) <<https://grattan.edu.au/wp-content/uploads/2023/06/Getting-off-gas-why-how-and-who-should-pay.pdf>> page 47.

⁵ EvoEnergy, 'Natural gas connection' (Webpage, accessed 29 August 2023) <<https://www.evoenergy.com.au/connections-overview/natural-gas-connection#:~:text=A%20permanent%20connection%20also%20means,checking%20and%20testing%20by%20Evoenergy.&text=The%20cost%20of%20permanent%20gas%20disconnection%20is%20%24750.20%20including%20GST>>.

⁶ ATCO, 'Disconnection and removal of gas service forms' (Webpage, accessed 29 August 2023) <<https://www.atco.com/en-au/self-service/gas/disconnection-request.html>>.

⁷ 'Jemena Gas Networks (NSW) Ltd JGN reference tariff schedule 1 July 2023 to 30 June 2024' (14 April 2023) <<https://jemena.com.au/documents/gas/jgn-reference-tariff-schedule-1-july-2023-to-30-ju.aspx>> page 14.

⁸ 'Access arrangement: JGN's NSW gas distribution network 1 July 2020 – 30 June 2025' <<https://www.aer.gov.au/system/files/AER%20-%20Final%20decision%20-%20JGN%20access%20arrangement%202020-25%20-%20Approved%20Access%20Arrangement%20for%20JGN%20%28NSW%29%20Ltd%202020-25%20-%20June%202020%20-%20Clean.pdf>> [1.3]-[1.4].

⁹ National Gas Rules, section 51. We note that there are no trigger events in Jemena's current access arrangement (ibid).

¹⁰ Jemena, 'Deemed Standard Connection Contract for JGN' (February 2019) <<https://jemena.com.au/documents/gas/deemed-standard-connection-contract.aspx>> cl 3.2.

For some more vulnerable consumers with less financial means, even the alternative option of temporary disconnection is too costly.

A recent report by the Grattan Institute noted that the cost of decommissioning part of the gas network can be minimised if all the network in an area (for example a street or suburb) is removed at once. The report recommended changes to the regulatory definitions for disconnecting or abolishing gas connections, to differentiate between abolishment (immediately removing a gas connection), temporary disconnections (which may be reconnected), and permanent disconnections. The option to permanently disconnect from the network would involve disconnecting a meter (and not allowing reconnection) until all houses in an area can be abolished at once. This would also provide greater clarity to network businesses regarding whether a disconnection is temporary or represents a gas consumer who does not plan to return to the gas network.

The National Gas Law includes a principle that “a service provider should be provided with a reasonable opportunity to recover at least the efficient costs the service provider incurs in providing reference services.”¹¹ However, the AER has said that this does not mean such cost recovery is fully guaranteed under any circumstances.¹² Our clients consider that the recovery of costs for abolishment and disconnection should be revisited with regard to the fact that service providers have already made a substantial return on investments, particularly for older gas connections, as well as the public interest considerations raised here.

2 Reasons for gas disconnection

The consumption of gas is declining and is projected to continue to do so.¹³

Three key reasons consumers are seeking to disconnect from the gas network are:

- (a) Health concerns: gas use for cooking and heating is associated with the following health-harming air pollutants: nitrogen dioxide, particulates, carbon monoxide, formaldehyde and benzene. Gas stove use is estimated to cause 12% of childhood asthma in Australia.¹⁴
- (b) Concerns about climate change: many consumers are seeking to move away from gas use due its contribution to climate change, particularly in comparison to renewable energy sources. Residential gas use is an important area where gas use can be reduced, in accordance with scientific consensus that huge declines in the use of fossil fuels (including gas) are required to meet net zero by 2050.¹⁵ The Victorian Parliament’s Inquiry into

¹¹ National Gas (NSW) Law, section 24.

¹² AER, ‘Regulating gas pipelines under uncertainty’ (November 2021) <<https://www.aer.gov.au/system/files/AER%20Information%20Paper%20-%20Regulating%20gas%20pipelines%20under%20uncertainty%20-%2015%20November%202021.pdf>>.

¹³ See, for example AEMO, ‘Statement of Opportunities (2018-2023)’ <<https://www.aer.gov.au/system/files/AER%20Information%20Paper%20-%20Regulating%20gas%20pipelines%20under%20uncertainty%20-%2015%20November%202021.pdf>>.

¹⁴ Ewald, Crisp, Carey, ‘Health risks from indoor gas appliances’, Australian Journal of General Practitioners 51, 12 (December 2022).

¹⁵ See, for example, Report from the United Nations’ High-Level Expert Group on the Net Zero Emissions Commitments of Non-State 13 Entities, ‘Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions’ <<https://www.un.org/sites/un2.un.org/files/high->

renewable energy noted that, given the available alternatives, residential gas use will be easier to phase out than in other sectors.¹⁶ A recent report by the Grattan Institute outlines the key reasons why shifting away from gas is essential to meet Australia’s net-zero emissions goals and argues that governments should start by ensuring all Australian homes become all-electric.¹⁷ We also note that on 19 May 2023, Energy Ministers agreed to amendments to the national energy laws to incorporate an emissions reduction objective into the National Gas Objective (along with the National Electricity Objective and National Energy Retail Objective).¹⁸ These amendments are subject to passage in the South Australian Parliament.¹⁹

- (c) Cost: the move to electric appliances, particularly with the rise of alternative renewable energy sources, presents significant cost savings potential for consumers. For example, the Climate Council estimates that NSW households could save up to \$924 per year by moving from gas to electric appliances.²⁰

This was reflected in the findings of a Victorian Parliamentary enquiry into renewable energy in 2022, which stated “Switching Victorian households from gas will contribute significantly to lowering carbon emissions, save household costs and help to avoid the health risk associated with gas.”²¹

3 Key consumer and competition issues

3.1 Consumer issues

The cost of gas connection abolishment in NSW gives rise to significant consumer issues. The abolishment fee poses a material barrier to consumer choice between gas and electric appliances. This also restricts consumers from realising the longer-term cost savings of electrification. Vulnerable consumers are disproportionately affected as those less likely to be able to pay the upfront abolishment charge (despite annual savings that may be realised by electrification of appliances in the home).

[level_expert_group_n7b.pdf](#)>; International Energy Agency, ‘Special Report: Net Zero by 2050’, May 2021, <<https://www.iea.org/reports/net-zero-by-2050>>.

¹⁶ Parliament of Victoria, ‘Inquiry into renewable energy in Victoria’, <https://www.parliament.vic.gov.au/images/stories/committees/SCEP/Renewable_Energy/Report/LCEPC_5_9-06_Renewable_energy_in_Vic.pdf> page 164.

¹⁷ Grattan Institute, ‘Getting off gas: why, how, and who should pay?’ (June 2023) <<https://grattan.edu.au/wp-content/uploads/2023/06/Getting-off-gas-why-how-and-who-should-pay.pdf>>.

¹⁸ The Bill has not yet been introduced into South Australian Parliament. The commencement of the Act will be on Royal Assent of the legislation (subject to passage in the South Australian Parliament) for AEMC processes and two months after Royal Assent for all remaining processes. See ‘Incorporating an emissions reduction objective into the national energy objectives’ (Information Paper, May 2023)

<<https://www.energy.gov.au/sites/default/files/2023-06/Incorporating%20an%20emissions%20reduction%20objective%20into%20the%20national%20energy%20objectives%20-%20Information%20Paper.pdf>> page 5.

¹⁹ Ibid (see indicative timing at page 5).

²⁰ Climate Council, ‘NSW: Saving money by going all electric’ (31 October 2022) <<https://www.climatecouncil.org.au/resources/nsw-switch-and-save/#:~:text=The%20good%20news%20is%20that,as%20well%20as%20polluting>>.

²¹ Parliament of Victoria, ‘Inquiry into renewable energy in Victoria’, <https://www.parliament.vic.gov.au/images/stories/committees/SCEP/Renewable_Energy/Report/LCEPC_5_9-06_Renewable_energy_in_Vic.pdf> page 166.

Consumers who cannot afford the permanent abolishment costs may be forced to opt for a temporary cap, exposing themselves to safety risks. The AER has noted that disconnection costs in the vicinity of \$1,000 have led to many households opting to cap supply of gas at the meter, rather than paying for the permanent abolishment²² (Jemena currently charges \$134.20 (incl GST) per meter for disconnection²³).

As noted above, for some consumers even the lesser disconnection charge is too costly, and these consumers are therefore exposed to even greater risks associated with retaining a gas connection into their homes.

Further, as more people choose to leave the gas network, vulnerable consumers who do not have the option to pay the abolishment fee and permanently leave the network are likely to be worse off, as costs are spread over a smaller cohort. This potentially leaves a diminishing pool of those least able to move to carry the cost burdens. The most vulnerable consumers are in effect doubly disadvantaged, by not obtaining the cost benefit of switching to electric appliances earlier and by facing higher costs from remaining on the gas network.

Moreover, many consumers did not make an initial choice to connect to the gas network. For most consumers, a gas connection is inherited when a property is purchased or required when a property is newly built.

In this context, we are also concerned by Jemena's promotional offers which incentivise consumers to increase gas use. For example, in around June 2023 Jemena offered "up to \$500 cash back on natural gas appliances" for customers in NSW.²⁴ Again, more vulnerable consumers are disproportionately impacted by these schemes as they are less likely to be fully informed of the projected declines in gas use and the emergence of cheaper alternatives and, additionally, they are more likely to benefit significantly from the immediate financial incentives offered by Jemena. These issues are compounded where there are instances of greenwashing in the gas industry, where the environmental and climate impacts of gas are misrepresented.²⁵

3.2 Competition issues

There are several competition issues which arise in relation to the charges for permanent gas disconnection, and the related changing dynamics of energy markets as economies transition away from fossil fuels.

The high charges for permanent gas disconnection inhibit switching between fuels, impacting the markets in which those fuels are supplied and used (for example, markets for specific

²² 2023 Victorian access arrangement, page 7.

²³ 'Jemena Gas Networks (NSW) Ltd JGN reference tariff schedule 1 July 2023 to 30 June 2024' (14 April 2023) <<https://jemena.com.au/documents/gas/jgn-reference-tariff-schedule-1-july-2023-to-30-june-2024>> page 14.

²⁴ 'Natural Gas' (Webpage, accessed 19 June 2023) <<https://www.gonaturalgas.com.au/>>.

²⁵ See, for example, the Australian Conservation Foundation's complaint to Ad Standards regarding Australian Gas Networks Limited (9 August 2022) <<https://www.edo.org.au/wp-content/uploads/2023/02/Ad-Standards-complaint-re-Australian-Gas-Network.pdf>>; Lock the Gate and GetUp's complaint to ASIC and ACCC regarding Tamboran (5 April 2023) <https://assets.nationbuilder.com/lockthegate/pages/8241/attachments/original/1681252925/20230404_ASIC_and_ACCC_complaint_re_Tamboran_-_Lock_the_Gate_and_GetUp_%281%29.pdf?1681252925>.

appliances). The AER has acknowledged this in the Victorian context, noting that “the recovery of [gas disconnection] costs may act as a barrier to the switch to alternative fuels”.²⁶

With the emergence of new renewable energy sources, these markets are becoming more competitive and diverse. Such barriers inhibit increasing competition and also innovation in this space. Moreover, the competitiveness of renewable energy sources is essential to achieving our net zero goals. The Report from the United Nations’ High-Level Expert Group on the Net Zero Commitments of Non-State Entities says that, in order to be aligned with net zero goals, it is imperative to dramatically scale up the mobilisation and provision of finance for renewable energy and that phasing out fossil fuels must be done in parallel with scaling up access to renewable energy.²⁷

A further related issue is that, as new energy sources arise, there is a need to reconsider whether gas pipelines are appropriately treated as critical and therefore regulated infrastructure. Solar, wind, pumped hydro and battery storage are increasingly replacing coal fired power stations in our electricity network. Consumers are choosing to install renewable energy sources such as solar and seeking to disconnect their gas appliances. The issues discussed here raise questions about the suitability of monopoly infrastructure regulation of the gas network. At the present time the efficient monopoly infrastructure costs are preventing competition by not allowing switching between energy sources and in effect penalising both those who stay connected to the gas network through higher costs for infrastructure and also those who choose to leave.

The AER’s strategic objectives include “protect[ing] vulnerable consumers while enabling consumers to participate in energy markets.”²⁸ This must include consideration of the public health impacts of gas in homes on vulnerable consumers and from the longer term impacts of climate change. The effects of climate change, contributed to by the continued burning of gas as a fossil fuel, will impact considerably on the most vulnerable in the community, such as those with inadequate health care, poor quality housing and unstable employment. Extreme weather events such as cyclones, floods, heatwaves and bushfires will affect vulnerable communities including their mental health, particularly Aboriginal and Torres Strait Islander communities.²⁹ Examination from a monopoly infrastructure perspective only considers the cost impacts on consumers rather than these other impacts. Further intervention is needed in relation to prices charged for gas abolishment than price monitoring. The AER acknowledged the limitations of the gas access arrangement process in its recent decision regarding the Victorian access arrangements (see 4 below), stating “In the longer term it may be that the gas access arrangement review process is not enough, or not the best avenue, to deal with the related safety and equity issues that may arise.”³⁰

²⁶ AER, ‘Draft decision: Multinet Gas Networks Access Arrangement 2023 to 2028 (1 July 2023 to 30 June 2023)’ (December 2022) <<https://www.aer.gov.au/system/files/AER%20-%20MGN%202023-28%20-%20Draft%20Decision%20-%20Overview%20-%20December%202022.pdf>>.

²⁷ Report from the United Nations’ High-Level Expert Group on the Net Zero Emissions Commitments of Non-State 13 Entities, ‘Integrity Matters: Net Zero Commitments by Businesses, Financial Institutions, Cities and Regions’ <https://www.un.org/sites/un2.un.org/files/high-level_expert_group_n7b.pdf> page 23.

²⁸ AER, ‘Strategic Plan 2020-2025’ (2020) <https://www.aer.gov.au/system/files/AER-Strategic-Plan_2020-2025.pdf>.

²⁹ Australian Indigenous HealthInfoNet, ‘Climate change and adaptation’ (Webpage, accessed 19 June 2023) <<https://healthinonet.ecu.edu.au/learn/determinants-of-health/environmental-health/climate-change/>>.

³⁰ 2023 Victorian access arrangement, page 8.

4 Recent changes to abolishment fees in Victoria

In Victoria, the AER recently made its final decision on gas access arrangements for the three Victorian distribution networks – AusNet, Australian Gas Networks and Multinet.

A significant issue considered by the AER in its decision was the allocation of gas connection abolishment costs. For the 2023-28 access arrangements, the AER retained an upfront cost of \$220 for connection abolishment (of \$822.44 to \$950 total cost) and shared the remainder between all customers through adding it to the regulated revenue used to set haulage tariffs. This was not a change to the total recoverable costs for connection abolishment services, but a change to the way in which costs are recovered.

However, the AER acknowledged that this approach “is not a long-term solution” as, combined with declining throughput on remaining connections, it will put upwards pressure on haulage tariffs in the 2023-28 period until a more sustainable solution is identified.³¹ As noted above, it is vulnerable consumers who will be most affected by the socialised costs as they are the least able to take immediate action in moving off the gas network.

In the AER’s decision it stated:

“Transformation in the energy system and the explicit policy goal of reaching net zero emissions by 2050 creates considerable uncertainties in future gas demand expectations. The decline of gas demand is expected to accelerate... Part of the declining demand outlook for these [gas] networks is that the number of customers expected to significantly reduce their reliance on gas appliances, or to leave the gas network completely, is increasing. This raises important issues of cost, equity and safety.”³²

5 Need for action in NSW

We bring these issues to your attention given the need for urgent action. However, we acknowledge that they may raise policy issues beyond the remit of the AER,³³ and note that our clients may also engage more broadly about these matters including with relevant Federal and State Ministers.

Our clients consider it is insufficient to wait until the expiry of Jemena’s current access arrangement for the issues raised here to be addressed for consumers in NSW. Further, these issues should not be addressed incrementally and on a case-by-case basis. There is already significant disparity between consumers in different states (such as NSW and Victoria) and now even in local council areas (for example Waverley Council has adopted a development control plan which includes preventing the installation of gas stoves, gas ovens and gas space heating in residential development³⁴).

³¹ Ibid, page 7.

³² 2023 Victorian access arrangement, page 5.

³³ For example, the AER notes in the 2023 Victorian access arrangement “In the longer term it may be that the gas access arrangement review process is not enough, or not the best avenue, to deal with the related safety and equity issues that may arise. There is an important role for Governments to continue to set clear policy direction on the future use of gas in order to facilitate a safe, reliable and affordable transition” (Ibid, page 8).

³⁴ Waverley Council, ‘Waverley Council’s new Development Control Plan a win for the environment’ (9 December 2022)

Rather, it is essential that there is a fair approach for all consumers, with consideration of the protection of consumers and maintenance of effective competition in a transitioning economy, and the prioritisation of the needs of vulnerable consumers.

We highlight the recommendations of a recent report by the Grattan Institute, which urged that “Australia will not hit its 2050 net-zero emissions target unless it gets off natural gas. Getting off gas will be complex for governments and difficult for many people – but delaying action will only make it more so.”³⁵

Please do not hesitate to contact us at kirsty.ruddock@edo.org.au and asha.keaney@edo.org.au to discuss any matters arising from this letter.

Yours faithfully

Environmental Defenders Office



Kirsty Ruddock
Managing Lawyer
Safe Climate (Corporate & Commercial)



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<https://www.waverley.nsw.gov.au/top_link_pages/news_and_media/council_news/news/waverley_councils_new_development_control_plan_a_win_for_the_environment>.

³⁵ Grattan Institute, ‘Getting off gas: why, how, and who should pay?’ (June 2023)

<<https://grattan.edu.au/wp-content/uploads/2023/06/Getting-off-gas-why-how-and-who-should-pay.pdf>>
page 3.

Annexure A Case study examples

Example 1: Saul Griffith

- Saul Griffith has a home in Austinmer.
- After removing the old gas heater and cooktop and switching to solar-powered electricity, he wanted to remove the gas meter and infrastructure including the pipes connecting his home.
- Jemena quoted him a charge of \$1151.70 for gas abolishment.
- In an email to Jemena, he protested against the charge to remove “a dangerous and toxic substance from my land. I bought the property, not the gas connection which I never wanted”. Jemena replied that Griffith had purchased the property in its current condition, which included the gas connection.

See Sydney Morning Herald, ‘Saul wrote the book on all-electric homes, but his gas company is putting up a fight’ (11 August 2022) <<https://www.smh.com.au/business/consumer-affairs/saul-wrote-the-book-on-all-electric-homes-but-his-gas-company-is-putting-up-a-fight-20220808-p5b86n.html>>.

Example 2: Stephanie

- Stephanie feared she was getting sick from an old gas heater.
- When she asked her retailer to disconnect, she was told it would cost \$110.
- “They did the work, and I was sent an invoice for \$1151.70 when they had quoted \$110,” she said.
- Stephanie, a disability pensioner, told the gas company she couldn’t afford to pay and that she thought it was illegal to quote one price, and charge more.
- After some negotiation, retailer AGL finally agreed to reverse the larger charge.

See Sydney Morning Herald, ‘Saul wrote the book on all-electric homes, but his gas company is putting up a fight’ (11 August 2022) <<https://www.smh.com.au/business/consumer-affairs/saul-wrote-the-book-on-all-electric-homes-but-his-gas-company-is-putting-up-a-fight-20220808-p5b86n.html>>.

Example 3: Consumer 3

- Consumer 3 bought an existing house in NSW.
- Consumer 3 never used gas at the property once it was acquired, and never intended to enter into an agreement for the supply of gas with Jemena nor with a gas retailer. Nonetheless, Jemena’s deemed standard connection contract applies to Consumer 3 as clause 3.2 provides that the contract “applies to you if your premises are connected to our distribution system”.³⁶
- Consumer 3 is encumbered with the cost of having to abolish the gas meter despite having never used gas.

³⁶ Jemena, ‘Deemed Standard Connection Contract for JGN’ (February 2019) <<https://jemena.com.au/documents/gas/deemed-standard-connection-contract.aspx>>.

Example 4: Consumer 4

- Consumer 4, together with other residents of a 34-unit apartment block in Woolloomooloo, sought to replace their central gas hot water system with an electric heat pump.
- Due to the costs quoted by Jemena, residents had their gas meter removed by a private contractor for a significantly lower charge.
- Residents continue to receive gas bills from Jemena despite no longer using any gas, which is likely to impact their credit ratings.

Example 5: Consumer 5

- Consumer 5, together with other residents of a 44-unit apartment block in North Sydney, sought to replace their central gas hot water system with an electric heat pump.
- Jemena quoted approximately \$7,700 total fees for the meter removal.
- Residents have not proceeded with the meter removal and change to electric gas pump due to cost barriers.

Example 6: Consumer 6

- Consumer 6, together with other residents of an 18-unit apartment block in Neutral Bay, sought to replace their central gas hot water system with an electric heat pump, removing the need for gas in their block.
- Jemena's quote for the removal of all gas meters was over \$20,000 for the apartment block, so the residents opted for a temporary disconnection.
- Individual meters were disconnected by Jemena contractors (but not permanently abolished).
- Jemena continues to say to the residents that new meters are needed when there is no gas connected currently in use.

Example 7: Consumer 7

- Consumer 7 moved off gas to all electric appliances. Consumer 7 was quoted \$900 for meter abolishment, and so opted for having the meter capped.
- Jemena subsequently said the meter would need to be replaced, despite it no longer being in use. Consumer 7 said this was not necessary.
- Several months later, Jemena again said the meter would need to be replaced, despite it no longer being in use. Consumer 6 explained that the meter was capped and was told that they would need to replace the meter or abolish the service at a cost of \$633 (excl GST).

Example 8: Consumer 8

- Consumer 8 sought, along with other residents of a Sydney apartment block, to upgrade the ~50 units from a gas to electric hot water system.
- Consumer 8 was quoted approximately \$7500 for the removal of all gas meters for each unit. In contrast, the installer of the new hot water and metering system will generally do that work at no cost.

Example 9: Consumer 9

- Consumer 9 was living in a house in NSW, and asked Jemena to abolish their gas connection in December 2021 and was quoted over \$1000.
- Consumer 9 did not proceed with the abolishment, and instead asked for a final bill and account closure, for which they were charged a fee of approximately \$20.
- Consumer 9 is now looking to renovate their house and has serious safety concerns about the remaining gas pipes.