PROXIMITY
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Regulatory barriers to decommissioning the ACT's gas network by 2045

Final Report
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We acknowledge the Ngunnawal people as traditional custodians of the land we are meeting on and recognise any other people or families with connection to the lands of the ACT and region on which we live and work. We pay our respects to them, their cultures and their Elders past and present.

We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

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Glossary

Term	Definition
ACT	Australian Capital Territory
AEMA	Australian Energy Market Agreement
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
AS	Australian Standard
Capex	Capital Expenditure
CCEW	ACT Government Climate Change, Energy and Water Division, within the City and Environment Directorate
Consumer	The end user of supplied gas
Customer	The end purchaser of supplied gas
DCA	Netherlands National Climate Agreement (Klimaatakkoord)
Death Spiral	A cycle where rising costs drive customers away, further increasing costs for remaining users
Decommissioning	The process of safely and permanently removing or disabling infrastructure used for gas distribution and supply
Distributor	The entity licensed and authorised to build and maintain the gas distribution network, and distribute gas to end customers
DSO	Distribution System Operator
EES	Environment Effects Statement
EGDC	Esperance Gas Distribution Company
EIA	Environmental Impact Assessment
EOGGA	Electrification of Government Gas Assets Program
Evoenergy	Evoenergy owns the ACT's gas distribution network. Evoenergy is a partnership between Jemena Networks (ACT) Pty Ltd and Icon Distribution Investments Ltd
FSAs	Formal Safety Assessment
GN26	Evoenergy's Gas Network 2026–31 regulatory process, with the Australian Energy Regulator
GS&I Code	Gas Service and Installation Code
GS&I Rules	Gas Service and Installation Rules
ICRC	Independent Competition and Regulatory Commission
IEP	Integrated Energy Plan (2024–2030)
KANU 2.0	German regulatory determination for gas depreciation
MCE	Ministerial Council on Energy (as defined in the AEMA)
NECF	National Energy Customer Framework (incl. NERL, NERR and NERO)
NERL	National Energy Retail Law
NERO	National Energy Retail Objective
NERR	National Energy Retail Rules
NGF	National Gas Framework (incl. NGL, NGR and NGO)
NGL	National Gas Law
NGO	National Gas Objective
NGR	National Gas Rules
NOPSEMA	National Offshore Petroleum Safety and Environmental Management Authority
NSW	New South Wales

Term	Definition
Opex	Operational Expenditure
PAW	Programme for Natural Gas Free Districts (Netherlands)
RAB	Regulated Asset Base
Retailer	The entity whose primary activity is the sale of gas to customers
ROLR	Retailer of Last Resort
SAOP	Safety and Operating Plan
Technical Regulator	The ACT Government official responsible for enforcing technical codes and safety standards for utilities
Legislation Short Titles	
Climate Change Act	*Climate Change and Greenhouse Gas Reduction Act 2010* (ACT)
EPBC Act	*Environment Protection and Biodiversity Conservation Act 1999* (Cth)
Gas Safety Act	*Gas Safety Act 2000* (ACT)
OPGGS Act	*Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth)
Rental Act	*Residential Tenancies Act 1997* (ACT)
Residential Property Act	*Civil Law (Sale of Residential Property) Act 2003* (ACT)
Unit Management Act	*Unit Titles (Management) Act 2011* (ACT)
Utilities Act	*Utilities Act 2000* (ACT)
Utilities (Technical Regulation) Act	*Utilities (Technical Regulation) Act 2014* (ACT)

Executive Summary

The ACT Government has committed to phasing out fossil fuel gas use by 2045 and decommissioning the gas distribution network as part of its broader climate strategy and Integrated Energy Plan (IEP). This report, prepared by Proximity Advisory Services Pty Ltd (Proximity), identifies the regulatory barriers that may hinder this transition and proposes reforms to support a safe, efficient, and equitable phase-out of gas infrastructure.

Analysis of regulatory barriers has been underpinned by the ACT Government's subordinate policy objectives that it seeks to guide decommissioning activities with. To enable the ACT's transition to net-zero emissions by 2045, the gas network must be decommissioned in a way that:

- Protects consumers, especially vulnerable groups.
- Ensures safety and environmental integrity.
- Maintains economic efficiency and equity.
- Aligns with national and local regulatory frameworks.

The current regulatory framework is complex, and achieving successful gas network decommissioning under current regulatory parameters will be very difficult. At a high level, the current regulatory environment was designed for a growing gas market and is ill-suited to an environment where demand is reducing. Further, broadscale decommissioning of utility infrastructure was not considered in the development of key laws such as the Utilities Act, Utilities (Technical Regulation) Act, and Gas Safety Act. This mismatch creates systemic risks such as asset stranding, rising tariffs, and regulatory gaps in safety, consumer protection, and planning.

Domestic and international comparative analysis of gas and other complex infrastructure decommissioning is considered throughout this report and laid the foundation of an assessment framework to support the identification of barriers and gaps, as well as the recommendation of fit-for-purpose solutions. The better practice criteria developed, and assessment of the ACT's current gas regulatory settings are summarised in **Table 1** and cover the full lifecycle of decommissioning and key elements of the ACT's policy.

Table 1: Assessment of the ACT's gas regulatory framework's suitability and rationale

Feature	Current state assessment	Summary of rationale
Lifecycle planning		• No legislative requirement for utilities to plan decommissioning. • Lack of thresholds for disconnection and mechanisms to compel service cessation.
Economic and consumer protections		• National Gas Law (NGL) enshrines cost recovery principles that may be unsustainable. • Consumer protections do not accommodate decommissioning scenarios. • No ban on gas appliance sales or reconnections by zero-consumption households.
Stakeholder consultation and ongoing engagement		• No mandated notice periods or consultation requirements for disconnection. • Limited coordination between utilities and government agencies.
Safety and Risk Management		• Technical codes focus on installation and usage, not decommissioning. • No offence for unauthorised disconnection. • Safety obligations do not extend to dismantling infrastructure.
Environmental Management		• Decommissioning is not explicitly recognised in environmental planning laws. • Opportunities to use emissions targets to guide regulatory reform are underutilised.
Activity stage-gate approvals		• Federal approvals required for infrastructure removal in Designated Areas and Canberra Airport. • No authority for utilities to enter land for decommissioning without consent.
Ongoing Regulatory Oversight		• No requirement for utilities to capture or report decommissioning data. • Regulatory bodies lack powers to monitor or enforce safe decommissioning.

Assessment key: Regulatory approach and implementation show evidence of better practice

 Significant evidence

 Strong evidence

 Partial evidence

 Minimal or no evidence

The ACT is uniquely positioned to lead Australia's transition away from fossil fuel gas. However, this requires a coordinated, multi-year reform program across legislative, regulatory, and operational domains, as well as diligent engagement across the ACT, Commonwealth and likely NSW Governments. The recommendations in this report aim to build a robust framework that supports the ACT's climate goals while safeguarding consumers and ensuring a just transition.

9 recommendations are made and have been prioritised into implementation horizons to support ACT Government planning, including development of a policy position to be incorporated into the Australian Energy Regulator's final determination for Evoenergy's Gas Network 2026-31 (GN26) regulatory process.

Figure 1: Recommendation Impact vs Effort vs Horizon

Looking ahead, successful implementation of the recommended reforms will require a deliberate and coordinated approach that reflects both the complexity of the regulatory environment along with the ambition of the proposed reforms. Ensuring readiness for implementation and maintaining momentum over time will require strong governance and a programmatic approach to planning that is both structured and adaptable. Strategic communication to enable early and proactive engagement with the public, industry and cross- and inter-government stakeholders will be critical to build trust, secure buy-in and shape solutions that are both practical and enduring. Delivering these reforms requires adequate investment to build and sustain the capability, systems and partnerships needed for effective implementation.

Chapter 1

Background and context

Chapter 1: Background and context

Introduction

In May 2025, the ACT Government commissioned a review to understand the regulatory landscape that will facilitate effective decommissioning of the ACT's gas network and to develop options for regulatory reform that will support efficient and equitable decommissioning of the ACT natural gas network, in alignment with the Territory's emissions reduction targets and IEP commitments. This included the identification of priority regulatory reforms and policy settings to:

- plan the decommissioning of the local gas network,
- support asset decommissioning,
- provide necessary consumer protections, and
- facilitate appropriate cost sharing mechanisms to enable an equitable transition.

Proximity was engaged to explore the complex interplay between national and local laws governing the ACT gas network and recommend regulatory pathways which will enable a safe, efficient and equitable phased transition from fossil-fuel gas.

This report identifies current regulatory barriers and recommends priority areas for reform that will ensure the Territory can meet its policy commitments. The implementation and finalisation of the ACT Government's policy position, and the potential development of legislative reforms, industry or technical codes are expected to roll over into 2026. Strategies for transparency, stakeholder and community engagement will also be informed by the review.

Approach

Proximity undertook this review between May and August 2025. A multi-disciplinary team of legislative, legal policy, change management and stakeholder engagement experts conducted the review in consultation with ACT and Commonwealth government, industry, interest group and community stakeholders. **Figure 2** summarises the three-phase approach to Proximity's review:

Discovery	Engagement	Analysis
• Desktop research • Comprehensive legislative analysis of ACT and Commonwealth laws • Domestic comparative analysis • International case study analysis • Academic paper research • Previous third party consultancy finding	12 consultations across: • ACT Government policy and program delivery functions • Gas distributor (EvoEnergy) • ACT Technical Regulator • ICRC • AER • AEMC • Consumer protection and social service organisations	• Collation of stakeholder views • Presentation of preliminary finding of regulatory barriers • Gap analysis within current policies and legislation • Identifying key policy positions and how they could be reshaped • Drafting preliminary recommendations and advice to legislation changes

Figure 2: Approach to review

Report structure

This report follows a structured format to present its analysis, key findings and recommendations. It comprises:

- Detailed analysis of existing and required ACT policy to support effective decommissioning by 2045. This informs the lenses through which to analyse existing legislative and regulatory frameworks.
- Analysis of current regulatory frameworks and identified barriers to achieving ACT Government policy.
- Recommended reforms to achieve ACT Government policy.

Context

In August 2022, the ACT Government announced its policy to decarbonise fossil fuel gas through electrification, with renewable gas to be used for niche applications where electrification is not feasible. This means that, to meet the Territory's legislated emissions reduction targets, most of the existing gas connections need to be transitioned to electric alternatives by 2045 and the network decommissioned. The release of regulation in December 2023 prevents new gas connections from new residential, commercial and community facility land-use zones, and all residential use buildings in non-residential zones.[1]

To assist with the identification of regulatory barriers, the review conducted analysis and synthesis of policy positions that exist and that are required for successful decommissioning of the gas network by 2045. This exercise also guided the development of reform options to ensure parameters best achieve ACT Government policy context and intention. Fossil fuel energy reduction policy positions and their source are summarised in **Table 2**.

Table 2: Summary policy positions/levels for fossil fuel energy reduction policies

Level	Key position policy	Source
1	**Transform the ACT's energy system** to achieve net zero emissions by 2045, focusing on reducing emissions from fossil fuel gas use and vehicles and maintaining a secure, efficient supply of renewable energy for the ACT.	Integrated Energy Plan 2024 to 2030
2	**Existing energy:** Transition to renewable alternatives to fossil fuel energy	Integrated Energy Plan 2024 to 2030
	New energy: Prevent new sources of emission from fossil fuel energy use	Integrated Energy Plan 2024 to 2030
3	**Existing gas:** Support the safe, efficient and equitable decommissioning of the gas network.	Integrated Energy Plan 2024 to 2030
	New gas: Restrict gas network provider from establishing new fossil fuel gas network connections.	Climate Change and Greenhouse Gas Reduction Act 2010
4	**Safe:** Promote safe gas service (meter) and future gas network decommissioning. Maintain network safety throughout the transition.	Integrated Energy Plan 2024 to 2030
	Efficient: Promote efficient investment in, and efficient operation and use of, natural gas services for the long-term interests of consumers of natural gas.	National Energy Retail Objectives, National Gas Objectives
	Equitable: Costs must be shared equitably.	National Energy Retail Objectives, National Gas Objectives Integrated Energy Plan 2024 to 2030
5	**Planning:** The gas network provider should undertake detailed network planning.	Integrated Energy Plan 2024 to 2030
	Communication: The gas network provider and retailers should signal early and set appropriate notice periods to consumers.	No known source but communicated by CCEW during project
	Engagement: An appropriate customer engagement framework must be in place and followed by the gas network distributor prior to shutting down sections of the network.	Integrated Energy Plan 2024 to 2030, National Energy Retail Objectives
	Collaboration and data-sharing: Energy-related businesses must collaborate and share relevant data to ensure efficient, timely and cost-effective updates that will ensure reliable and secure electricity supply.	No known source but communicated by CCEW during project
	Economic efficiency testing and decision-making: The gas network provider should undertake economic efficiency tests to determine if sections of the network should be maintained or if customers should be moved off the network, promoting lowest economic cost decisions.	Outlined in consultancy reports that supported the development of the Integrated Energy Plan 2024 to 2030, but not explicitly called out.
	Vulnerability consideration: Ensure vulnerable consumers are not left stranded without heating, hot water or cooking facilities when network services are withdrawn.	National Energy Retail Objectives, Integrated Energy Plan 2024 to 2030

1 Climate Change Act, section 13A.

ACT Climate Change Strategy 2019-2025

The ACT has world-leading emission reduction targets which came into effect in October 2010 under the *Climate Change and Greenhouse Gas Reduction Act* 2010 (Climate Change Act). These emission reduction targets are:

- 40% of 1990 emissions by 30 June 2020
- 50-60% of 1990 emissions by 30 June 2025
- 65-75% of 1990 emissions by 30 June 2030
- 90-95% of 1990 emissions by 30 June 2040
- Net zero emissions by 30 June 2045
- 100% renewable electricity from 1 January 2020

The *ACT Climate Change Strategy 2019 – 2025* outlines the next stage of the ACT Government's climate change response and prepares the jurisdiction for meeting each of their interim targets, with checkpoints in 2025, 2030, 2040, and finally 2045.[2] The strategy now acts in place of the *Climate Change Strategy and Action Plan 2 (2012)*[3] and the *Climate Change Adaptation Strategy (2016)*[4] and builds on existing successful initiatives such as a transition to 100% renewable electricity, energy efficiency improvement, and new public transport systems.

Position Paper: Our Pathway to Electrification

In August 2022, the ACT Government released its Position Paper *Our Pathway to Electrification*,[5] which outlines the ACT's preferred pathway to decarbonise fossil fuel gas is through electrification, with renewable gases being reserved for specific uses where electrification is not feasible.[6]

The electrification pathway builds upon the *ACT Climate Change Strategy 2019-2025*, which outlines the ACT's interim emissions goals and key priorities. The Position Paper allows for a clearer view of how the next immediate steps on this timeline might look and what considerations may still be missing.

Integrated Energy Plan 2024-2030 (IEP)

In June 2024, the IEP was released.[7] The plan outlines the ACT Government's approach to transitioning away from the gas network, including monitoring the transition rate and planning for a gas network wind-down.

An important component of the IEP is the identification of regulatory interventions as an important tool to motivate and support the ACT community to safely and efficiently transition from fossil fuels, and to manage the required changes to our energy networks. The IEP includes a commitment to develop policy and regulatory frameworks to support safe, efficient and equitable decommissioning of the gas network.

National Gas Objective (NGO)

The ACT has adopted both the National Gas Objective (NGO) and the National Energy Retail Objective (NERO), which are directly codified into the National Gas Law (NGL) and the National Energy Retail law (NERL), respectively. The ACT has specific jurisdictional emissions targets that dictate the way the NGO and NERO influence Evoenergy as the ACT's gas network operator and distributor. The objectives shape decisions made by bodies like the Australian Energy Regulator (AER), the Australian Energy Market Commission (AEMC), and the Australian Energy Market Operator (AEMO).

The NGO is the guiding principle behind Australia's gas market regulation. The NGO, as stated in the NGL, is:[8]

> *to promote efficient investment in, and efficient operation and use of, covered gas services for the long term interests of consumers of covered gas with respect to:*
> *a. price, quality, safety, reliability and security of supply of covered gas; and*
> *b. the achievement of targets set by a participating jurisdiction—*
> *i. for reducing Australia's greenhouse gas emissions; or*
> *ii. that are likely to contribute to reducing Australia's greenhouse gas emissions.*

2 ACT Government, ACT Climate Change Strategy 2019-2025, 2019.
3 ACT Government, Climate Change Strategy and Action Plan 2, 2012.
4 ACT Government, ACT Climate Change Adaptation Strategy, 2016.
5 ACT Government, Our Pathway to Electrification, 2022.
6 Examples of 'niche applications' where electrification is not possible includes glass blowing, industrial green gas users, and training facilities for gas workers.
7 ACT Government, *The Integrated Energy Plan 2024-2030*, 2024.
8 NGL s 23.

Regulatory bodies use the NGO to evaluate rule changes and market reviews and understand how the future state should look, monitor compliance across other bodies governed by the NGO and NGL, assess infrastructure investments and pricing proposals submitted, and balance economic efficiency with environmental goals nation-wide.

National Energy Retail Objective (NERO)

The NERO guides how participating jurisdictions should be delivering energy services to consumers. The NERO, as stated in the NERL is:[9]

> *to promote efficient investment in, and efficient operation and use of, energy services for the long term interests of consumers of energy with respect to*:
> *a. price, quality, safety, reliability and security of supply of energy; and*
> *b. the achievement of targets set by a participating jurisdiction—*
> *i. for reducing Australia's greenhouse gas emissions; or*
> *ii. that are likely to contribute to reducing Australia's greenhouse gas emissions.*

The recent September 2023 update saw the NERO amended to include an emissions reduction objective. Regulators must now consider government-set emissions targets and projects likely to endorse greenhouse gas emissions which aligns with Australia's retail energy regulation and broader decarbonisation goals.

9 NERL s 13.

Chapter 2

Best practice regulatory pathways for removal of services and infrastructure

Chapter 2: Best practice regulatory pathways for removal of services and infrastructure

Overview

To identify and test the current state of the ACT's regulatory frameworks for decommissioning the gas network, the review considered better practice approaches to the decommissioning, and/or removal of services or infrastructure in adjacent sectors across national and international jurisdictions. While not strictly like-for-like, these case studies comprise similar contextual and regulatory considerations that are comparable to ACT's gas infrastructure.

Features of better practice and assessment criteria

The following assessment criteria was identified through the course of extensive research and analysis and has been used to evaluate the effectiveness of each case study's regulatory approach to managing decommissioning and or removal of services or infrastructure.

Table 3: Summary of better practice features of a regulatory framework to support decommissioning of infrastructure

Feature	Criteria
Lifecycle planning	• Full lifecycle perspective for establishment, maintenance and decommissioning of infrastructure. • Clear regulatory approvals for activity stage-gates across the full lifecycle. • Data driven planning, including mechanisms for information sharing between key stakeholders (i.e. owner/ operators, safety and or technical regulators, state advisory bodies). • Decommissioning planning includes equity assessments and considers how to prioritise vulnerable communities, including prioritising transition infrastructure investments.
Economic and consumer protections	• Clear approach or method for cost implications (i.e. cost of service, performance-based, depreciation and amortisation, cost allocation and apportionment). • Consumer protections enshrined in both legislation and consumer contracts. • Equity measures to mitigate increased energy tariffs including adoption of subsidies.
Stakeholder consultation and ongoing engagement	• Mandatory consultation on significant activities including plans to decommission or disconnect assets with the public, technical experts and if relevant intra and inter jurisdictional stakeholders. • Public consultation including publishing of economic and environmental impacts and proposed activity timeframes. • Notification process for affected stakeholders.
Safety and Risk Management	• Ongoing obligations to identify and manage risks associated with decommissioning activities including Health and Safety of workers and members of the public. • Decommissioning activities with higher risks are subjected to further and ongoing approvals and/or monitoring and compliance.
Environmental Management	• Environmental Impact Assessment (EIA) and corresponding mitigation strategies. • Waste management including site restoration or remediation. • Management plans and strategies have mandatory reporting cycle and are updated to reflect revised goals and objectives as the plan is delivered.
Activity stage-gate approvals	• Clear requirement to seek regulatory approval and/or ongoing clearance for activities during decommissioning. • Planning and documentation requirements are prescribed by regulator.
Ongoing Regulatory Oversight	• Data-driven monitoring and compliance program supported by information sharing arrangements. • Ad hoc and planned site inspections. • Audit activity for decommissioning requirements.

Comparative assessment of domestic and international case studies

Proximity assessed a range of domestic and international case studies against the features of a better practice regulatory framework to assess which case studies presented opportunity to incorporate lessons learned into the design of requirements to support the ACT to fully decommission its gas network by 2045. Given the ACT is on track to become the first jurisdiction in Australia to fully decommission its fossil fuel gas network, there is no explicitly like-for-like domestic case study. However, there are relevant insights to gather from the following domestic case studies. Additionally, meaningful insights can also be gathered from international jurisdictions such as the Netherlands and France and their approach to the decommissioning of both gas and nuclear energy infrastructure.

The assessment also provided opportunities for reflection on underutilised features in each case study and compare the ACT's gas regulatory framework to identify possible existing or future pain points.

Table 4: Comparative assessment overview

	Planning	Economic	Consultation	Safety & Risk	Environmental	Approvals	Oversight
Esperance Gas Network							
Hazelwood Coal Power Plant							
Northern Endeavour Offshore Gas							
Netherland Domestic Gas Network							
France Nuclear Power Plants							

Assessment key: Regulatory approach and implementation show evidence of better practice

Significant evidence | Strong evidence | Partial evidence | Minimal or no evidence

See **Annex A** for the detailed case studies for the above jurisdictions.

Chapter 3

Current ACT regulatory frameworks and barriers

Chapter 3: Current ACT regulatory frameworks and barriers

Overview

This chapter explores the regulatory frameworks which currently impact the regulation of gas in the ACT. It describes how each framework originally regulated the gas industry under stable or increasing market conditions and to what extent this approach to regulation is no longer effective in an increasingly declining market. This chapter identifies regulatory barriers that exist or may emerge as a result of this fundamental change in the gas industry.

As each regulatory framework is made up of a significant combination of legislation, regulation, codes, rules and standards, not all instruments are explored equally. Pieces of legislation are briefly introduced and summarised where they play a large role in the framework, even if there are no regulatory barriers identified within them. Where there are regulatory barriers, these have been examined in more depth. Subordinate instruments such as regulations, rules, codes and in some cases, standards are only explored where we have identified regulatory barriers that sit within them.

Table 5 provides a high-level assessment of the current regulatory framework across the key features of a regulatory framework capable of supporting effective decommissioning of infrastructure. This chapter goes on to explore each of the barriers in detail, which informs the recommended reforms in Chapter 4.

Table 5: Assessment of the ACT's gas regulatory framework's suitability and rationale

Feature	Suitability assessment	Summary of rationale
Lifecycle planning		• The current regulatory framework was designed for a growing gas market, not one in decline. This mismatch creates systemic inefficiencies and risks, such as asset stranding and the 'death spiral' of rising tariffs driving further disconnections. • There is no legislative requirement for utilities to plan for network decommissioning, leaving critical gaps in transparency and coordination. • The ACT Government lacks mechanisms to obligate utilities to cease providing services, which could delay decommissioning. • Thresholds for disconnection are undefined, complicating decisions about when areas can be safely and fairly disconnected. • Limited data sharing requirements codified in relevant laws to ensure industry participants are coordinated in decommissioning (distributor + retailer).
Economic and consumer protections		• The NGL enshrines the right for distributors to recover efficient costs, which may be unsustainable in a declining market. • Increased commercial risk may justify higher reference tariffs, but this must be balanced against consumer affordability. • Consumer protections under the NERL and NERR do not currently accommodate disconnection for decommissioning, risking breaches of contract and civil penalties. • There is no ban on installing or selling gas appliances, which may undermine transition efforts and expose the government to compensation claims. • Vulnerable consumers may be disproportionately affected unless reforms (e.g. rental standards, targeted programs) are implemented.
Stakeholder consultation and ongoing engagement		• There is no requirement for utilities to communicate planned disconnections or available support to consumers, retailers, or government agencies. • The Regulated Utility Coordination Code does not mandate communication between utilities for decommissioning activities, risking misalignment between gas and electricity infrastructure planning. • The GS&I Rules restrict customers from directly requesting disconnection from distributors, creating unnecessary barriers and confusion.
Safety and Risk Management		• The substance of safety and risk management exists in the relevant laws, however they focus on usage and installation however they are not explicitly applied to decommissioning. • Disconnection activities may fall outside current licensing and safety frameworks, requiring legislative amendments.

Feature	Suitability assessment	Summary of rationale
Environmental Management		• The ACT Government can use greenhouse gas targets to influence the AEMC and communicate decommissioning timelines, but this opportunity is underutilised from publicly available information. • The NGR does not explicitly include decommissioning as a subject matter, potentially limiting rule-making authority. • The Climate Change Act prohibits new gas connections but does not prevent reconnections by zero-consumption households, which could undermine emissions goals.
Activity stage-gate approvals		• Infrastructure removal in Designated Areas and Canberra Airport requires federal approvals, adding administrative burden and potential delays. • The Utilities Act and Utilities (Technical Regulations) Act do not clearly authorise entry to land for decommissioning works, which may hinder timely execution. • Disclosure laws for property sales and leasing do not require information about gas connections or planned disconnections, posing risks to prospective buyers and tenants and safety risk to the community.
Ongoing Regulatory Oversight		• Many regulatory frameworks (e.g. Utilities Act, Utilities (Technical Regulation) Act, Gas Safety Act, NERL/NERR) do not adequately cover decommissioning, creating enforcement and compliance gaps. • The ICRC's objectives may conflict with decommissioning goals, requiring clarification. • There is no requirement for utilities to publish transparency information about decommissioning, limiting public awareness and accountability.

Assessment key: Regulatory approach and implementation show evidence of better practice

 Significant evidence

 Strong evidence

 Partial evidence

 Minimal or no evidence

Economic regulation and identified barriers

A core aspect of regulating gas markets, both nationally and within the ACT, is effective economic regulation. Supply of gas to residential, commercial and industrial consumers requires significant infrastructure. Duplication of this infrastructure to allow multiple transmission networks and distributors to compete would be inefficient and wasteful. For this reason, distribution networks typically consist of very few distributors. In the ACT, there is one gas distributor – Evoenergy. However, to simulate a competitive market environment and to ensure consumers are not detrimentally impacted by the existence of a monopoly market, the national gas framework operates to closely dictate the ways in which the distributor can charge customers, write off assets and earn revenue (among other things).

While engagement with a national framework brings increased consistency between jurisdictions and a host of regularly updated and monitored laws, it can make amendment of these laws more challenging. To change the laws and rules that constitute the national framework the ACT Government can either amend their codification of the national law (as was done to ban new gas connections) or attempt to influence amendment to the national framework. While modifying local codifications of the law is within the ACT's control, it risks reducing consistency and complicating regulation. The ACT is also a party to the Australian Energy Market Agreement (AEMA), which is made between all Australian jurisdictions and aims to, among other things, ensure consistency of the national energy frameworks between jurisdictions.[10] The AEMA also notes that energy framework legislation (including the NGL, NGR, NERL and NERR) may only be amended with the agreement of the MCE.[11] However, the AEMA further notes that the agreement does not affect the rights of jurisdictions to develop policies relating to environmental issues, including greenhouse gas issues, therefore potentially providing an avenue for amendment of the national frameworks.[12] Furthermore, the other avenue for law reform –influencing national reform– may be more difficult, as other jurisdictions are at varying stages of their net-zero transitions and may not share the ACT's urgency.

If the ACT Government determines that amendment to the national framework is required, it is recommended that close engagement with the AEMC occurs to ensure that the ACT Government can realise any opportunities that may arise to encourage amendment of the national framework. If this is not possible, amendment of the codifications of the national frameworks may be required.

10 MCE, Australia Energy Market Agreement, clause 6.5 – 6.8.
11 MCE, Australia Energy Market Agreement, clause 6.5 – 6.8.
12 MCE, Australia Energy Market Agreement, clause 1.5(a).

National Gas Law

1. Distributors are provided with a reasonable opportunity to recover efficient costs incurred, this may be unsustainable (economic and consumer protections).

Division 2 of the NGL sets out the revenue and pricing principles that relate to scheme pipelines. Among these principles, section 24(2) states that:

> *(2) A scheme pipeline service provider should be provided with a reasonable opportunity to recover at least the efficient costs the service provider incurs in—*
> *(a) providing reference services; and*
> *(b) complying with a regulatory obligation or requirement or making a regulatory payment.*

This provision operates to enshrine the principle that service providers (which includes distributors) are, at some level, able to recover at least the basic costs from investments made in the course of providing reference services (e.g. supplying gas) and complying with the law. In an expanding market, this opportunity provides security to prospective investors to encourage investment in the gas network. As revenues within the gas monopoly market are heavily regulated and often capped, providing a strong principle that efficient costs will likely be able to be recovered served to entice investors to invest.

In an expanding market, this opportunity is generally accepted due to the fact that the growth (or at least stability) in demand meant that the cost of consumers paying for these distributor efficient costs was achievable. However, in a declining market, as the number of gas connections decreases, it becomes increasingly difficult to distribute these costs sustainably over a rapidly shrinking customer base and may result in significantly higher gas prices for those remaining connections.

Moderating the disconnection rate (of gas connections) may assist in stabilising gas price increases. The ACT Government should consider to what extent the reasonable opportunity to recover efficient costs is preserved in a declining market. This enshrined principle does not account for a shrinking market where the reducing number of gas consumers will be less and less able to cover the costs of providing distributors with an opportunity to recover their efficient costs.

The AER has recently noted that this 'principle [to recover efficient costs] does not mean that gas consumers must guarantee that the regulated businesses recover these costs, without considering price affordability and stability.'[13]

In a traditional competitive market, where no enshrined opportunity to recover costs exists, businesses are exceedingly cautious about what investments are made when there is significant potential for non-recovery of capital. However, within the gas market, due to this opportunity to recover, gas distributors may not have been as judicious in their investments. Indeed, some level of investment is required to ensure safety and compliance with regulation, but the government should nevertheless determine whether this opportunity to recover should be retained throughout the decommissioning of the gas network.

2. Increasing commercial risk within the gas market may provide grounds for distributors to increase reference tariffs (economic and consumer protections).

Another pricing principle that is enshrined within the NGL sits within section 24(5) which states:

> *(5) A reference tariff should allow for a return commensurate with the regulatory and commercial risks involved in providing the reference service to which that tariff relates.*

Due to the regulated price caps within the gas market, ensuring that the reference tariffs charged to customers considered these risks was vital. A price charged to customers that did not account for these risks would not provide adequate upside to the high risks associated with providing gas supply.

13 AER, Final Decision: Jemena Gas Networks (NSW) Access Arrangement 2025-2030, page 20.

However, in a declining market, the commercial risk associated with supplying gas increases significantly. As the risk of asset stranding becomes more material, the commercial risk increases. In the context of this pricing principle, it would follow that this increased risk should allow for an increase in reference tariffs that is commensurate with this increasing risk.

Likely due to this increasing risk posed by reducing demand, Evoenergy has for the first time proposed a revenue gap, as distinct from a price cap. Revenue caps allow business revenue to vary with demand, reducing the risk that decreasing demand has on the business. Due to this, Evoenergy noted in their 2026-2031 Access Proposal to the AER that 'a revenue cap removes demand forecasting risk for both customers and Evoenergy' and further noted that '…a revenue cap is the most appropriate option for the ACT and Queanbeyan Palerang region to allow for an efficient energy transition…'[14]

Whilst the investment distributors have made within the gas supply network should be rewarded with the ability to collect revenue at levels that somewhat reflect the risks taken, as the risk of asset stranding and the increasing difficulty in collecting revenue increases, the commercial risk associated with supplying gas, particularly in the later stages of network decommissioning could lead to an increase in risk at an unprecedented rate that was not anticipated when this rule was drafted.

The ACT Government needs to ensure that there is a balance between the level of return that distributors can receive in supplying gas against the prices consumers pay for gas, and by extension, providing this return to distributors.

3. Greenhouse gas targets provided to the AEMC could be communicated in more detail to support decommissioning timelines (environmental management, lifecycle planning).

The NGL provides that in making the NGR, the AEMC must have regard to the NGO. Part of NGO includes ensuring 'the achievement of targets set by a participating jurisdiction… for reducing Australia's greenhouse gas emissions…'[15]

In considering the NGO, participating jurisdictions can provide written directions which set out target statements regarding greenhouse gas emissions and targets selected in achieving net zero. Section 72A notes that:

> *(5) In having regard to the national gas objective under this Law, the Regulations or the Rules with respect to the matters mentioned in section 23(b), a person or body must consider, as a minimum, the targets stated in the targets statement.*

Whilst the ACT Government has already provided target statements under this section to the AEMC, the ACT Government could stipulate more detailed decommissioning targets once policy decisions have been made regarding a decommissioning timeline.[16]

Formalising a decommissioning timeline and subsequently notifying the AEMC about the key targets included within this timeline somewhat compel the AEMC to consider these targets when considering changes to the NGR.

4. The NGR does not explicitly consider decommissioning (lifecycle planning, activity stage-gate approvals).

The NGR are made under section 74 of the NGL. Section 74 sets out the subject matter which the NGR can relate to. There is no explicit mention of the ability to make rules in relation to decommissioning. The broadest extract of this section notes that the AEMC may make rules with respect to:

> *(2) …any matter or thing specified in Schedule 1 to this Law.*

'Schedule 1' refers to the National Gas Law, however no aspect of the NGL refers to decommissioning except to the extent that target statements made under section 72A (discussed above) and incorporated into the NGO relate to decommissioning. This connection may be adequate to allow rules to be made in relation to decommissioning, however considering the severity of rules made in relation to decommissioning, as currently drafted there is limited legislative clarity.

14 Evoenergy, Access arrangement information – Evoenergy's five-year gas plan 2026-32 overview, page 38.
15 NGL section 23.
16 AEMC, Emissions targets statement under the national energy laws, April 2025, page 1.

5. Obligation for service providers to publish 'prescribed transparency information' may provide an opportunity to mandate communication of decommissioning information (section 136C) (stakeholder consultation and ongoing engagement, ongoing regulatory oversight).

The NGL sets out at section 136C that service providers (including distributors) must publish 'prescribed transparency information' relating to pipelines and services as specified in the rules. This section authorises Part 10 of the NGR which set out the various categories of prescribed transparency information that must be published by service providers. Current categories of transparency information that must be published include:

- service and access information
- standing terms
- financial information
- actual prices payable.[17]

No obligation to publish information relating to decommissioning exists. The sub-categories of information that form the categories of transparency information (listed above) are prescriptive and provide little scope for expansion of the current rules to apply to decommissioning information.

This is likely to disrupt decommissioning as it relies on the gas network distributor actively communicating with consumers to inform them of changes, with no consequences for poor communication, including communication attempting to convince remaining gas customers to remain on the gas network.

National Gas Rules

6. New capital expenditure criteria do not adequately consider a shrinking market (rule 79(1) NGR) (economic and consumer protections).

A key reason behind the comprehensive regulation of the gas market in Australia, is due to low concentration of competition found in most jurisdictions. Because of this, additional regulation is required to protect consumers and somewhat mimic the market conditions of a competitive market.

In most competitive markets, systemic declining demand would prompt market participants to carefully consider their capital expenditure (capex) and reduce capex where possible. However, due partially to distributors' ability to be provided with a reasonable opportunity to recover at least the efficient costs under section 24(2) of the NGL, it is in the distributor's interests to continue investing in capex, as this will be recoupable at some level. The key risk to distributors is that of asset stranding. Asset stranding occurs when an asset loses significant economic value before its expected lifespan and is essentially no longer profitable.

This ability to recover efficient costs in combination the current thresholds for capex set out in rule 79(1) of the NGR, means that in some cases, distributors continue to incur significant capex, increasing their regulated asset base (RAB) despite a reducing demand for gas.

Between FY 2021/22 and 2025/26 Evoenergy's actual capex averaged $10.8 million per year. Evoenergy recently released forecasts noting that their expected capex between FY 2026/27 and 2030/31 would be $6.6 million per year.[18] Despite the reducing demand for gas, this continues to represent a significant addition to Evoenergy's RAB over the five-year period. While it is out of scope for this review to comment on the extent to which Evoenergy's proposed capex is necessary, it is vital that the ACT Government consider to what extent the thresholds permitting capex to be added to the RAB are strict enough to ensure that distributors are only incurring capex when it is strictly necessary to do so. Failing to properly rectify this barrier could result in increasing RAB values, further complicating the transition from gas.

7. Depreciation criteria do not adequately account for the operational reality of the ACT's decommissioning plan (rule 89 NGR) (economic and consumer protections).

The gas regulatory framework was conceived on the basis that demand for gas would increase overtime. As this is no longer the case, costs that are incurred to provide gas services are only able to be shared between a shrinking customer base. Over time, this increases the cost each gas customer pays, subsequently driving more customers from the gas network due to an unwillingness to pay. This essentially commences a domino effect where the rising gas tariffs cause more and more consumers to leave the network, further raising tariffs. This has been dubbed a 'death spiral'.[19]

17 NGR rule 101A(1).
18 Data obtained from figure 15 within: Evoenergy, Evoenergy's draft five-year gas plan: Access arrangement proposal 2026-31, March 2025, page 40.
19 See for example: Justice and Equity Centre, The Energy: Energy rule maker weighs equity in gas 'death spiral', 12 June 2025.

Promoting 'efficient growth in the market' for gas services (rule 89(1)(a))

Rule 89(1)(a) of the NGR notes that the depreciation schedule used by distributors should be designed in a way that 'promotes efficient growth in the market for reference services.' This is at odds with the anticipated demand of gas. If not amended, this rule would require distributors to continue operations and forecasting on the assumption of growth in the gas market.

It was noted by the AER in relation to this rule that 'it may no longer be in gas consumers' interests to allow further growth in the gas networks at this point, which contributes to greater risk of stranded assets…'[20]

Work should be undertaken to explore whether amendment to rule 89(1)(a) is possible, particularly whether it could be amended to acknowledge the local policy circumstances of jurisdictions that may be at odds with the principle of efficient growth in the market, thus impacting a distributor's ability to promote efficient growth in the market.

Whilst legislative interpretation of the definition of 'growth' for the purposes of rule 89(1)(a) sits outside the scope of this report, it is noted that in Evoenergy's recent proposal to the AER, 'growth' is interpreted to include negative growth (emphasis added):[21]

> *…the straight-line depreciation approach will no longer allow:*
> *gas prices to vary over time to promote efficient growth (**including negative growth**) in the market…*

Depreciation over the 'economic life' of an asset (rule 89(1)(b))

Currently under rule 89(1)(b) of the NGR, pipeline assets owned and run by gas distributors can be depreciated over the 'economic life' of the asset. This means that if an investment in new gas infrastructure is made in 2025, with a typical economic life of 45 years, full depreciation will occur in 2070. This exceeds the ACT's transition year of 2045. Without intervention, this will very likely lead to asset stranding. This occurs where assets which were paid for by distributors lose its economic value before the expected depreciation period, thereby impacting the distributors financial position (i.e. increased operating costs and reduced shareholder returns).

Rule 89(1)(b) prevents any amendment to increase the rate of depreciation so that distributors can recover their costs over a shorter period. This inherently dissuades further investment in the gas network due to a risk of asset stranding.

While this dissuasion is not necessarily a bad thing in the context of the ACT Government's desire to phase-out of gas, it does present an issue in ensuring that proper investment is made to maintain gas infrastructure assets and ensure long-term safety of the network.

In addition to the risk of asset stranding, it also means that future gas customers are expected to pay a larger share of the depreciation costs than current customers. This raises significant issues about vulnerable consumers, who, if they are unable to leave the gas network first, may leave the gas network last due to the financial barriers that converting to electricity poses.

However, Evoenergy's recent proposal to the AER has also argued that 'economic life' of assets for the purposes of rule 89(1)(b) should be limited to 2045, given the ACT Government's position to be net-zero by this time:[22]

> *…the use of technical asset lives is no longer a reasonable proxy for the economic life of the assets. The economic life of Evoenergy's gas assets is clearly defined by ACT Government policy to end the gas service by 2045 and commence phased decommissioning of the network from 2035, which equates to a maximum remaining life of only 19 years and the likelihood of a materially shorter remaining economic life for a number of those assets.*

As it sits outside of the scope of this report to comment on the distinction between an 'economic life' and a 'technical life', the ACT Government may wish to seek advice and consider their position on this issue, as the outcome could have significant impacts on the gas transition as a whole.

20 AER, Regulating gas pipelines under uncertainty, 15 November 2021, page 59.
21 Evoenergy, Submission to the AER – Attachment 6: Depreciation, June 2025, page 11.
22 Evoenergy, Submission to the AER – Attachment 6: Depreciation, June 2025, page 11.

Technical gas regulations and identified barriers

Utilities Act

8. Decommissioning is not recognised as a 'utility service' under the Act which means decommissioning activities can take place outside of utility licence safeguards (and regulation) (lifecycle planning).

The current definition of a 'utility service' under the Utilities Act may not extend to decommissioning activities. This could lead to a situation where decommissioning activities escape regulation, including being undertaken by unregulated entities, or by regulated entities with no obligations to do so safely or in accordance with regulatory direction. Section 9 of the Utilities Act defines a utility service in respect of gas as:

- the transmission of gas through a gas transmission network
- the distribution of gas through a gas distribution network
- a gas connection service.

A 'gas connection service' is defined in the Act as 'a connection service within the meaning of the national gas rules, Part 12A (Gas connection for retail customers).'[23] The NGR define a 'connection service' as a service relating to a new connection for premises, or a service relating to a connection alteration for premises. A 'connection alteration' means 'an alteration to an existing connection including an addition, upgrade, extension, expansion, augmentation or any kind of alteration.'[24]

While it is possible that 'any kind of alteration' includes disconnection, it may present a significant risk to continue the transition with a significant amount of the gas regulatory framework based upon this interpretation. The definition of a 'utility service' is also used in other legislation with reference back to the Utilities Act. Therefore, non-capture of decommissioning services could extend to a wide range of obligations under various legislation.

It should also be considered that the current licence for a utility service somewhat accounts for disconnection by virtue of most current disconnections being performed in the context of larger works for upgrading, extending, or expanding existing connections with the aim that some form of gas supply would be reconnected in the majority of cases. Due to the lower risk associated with these very temporary disconnections with the aim of reconnecting, it is likely that the current licensing construction adequately extends to capture these instances of 'disconnections'.

9. Power to make industry codes does not explicitly refer to dismantling or decommissioning (lifecycle planning, activity stage-gate approvals).

Section 55 of the Utilities Act sets out that industry codes may set out practices and standards and other matters relating to providing a utility service.[25] Subsection 55(2) sets out a non-exhaustive list of some of the matters that an industry code may deal with. Decommissioning, dismantling or other deconstruction-related activities are not currently stipulated in the non-exhaustive list. This does not preclude these activities from being included; however, any activities that are included must be in accordance with the objects of the Act and purpose of the legislation, which is also silent on decommissioning.

This is not a significant barrier to decommissioning but should a gas utility service provider being empowered to create an industry code for the regulator to then approve, explicit reference to decommissioning should be considered.

For clarity, it is also necessary to note that there are two mechanisms of code able to be introduced under the current legislative framework. Whilst industry codes may be made under section 55 of the Utilities Act, technical codes can also be made under part 3 of the Utilities (Technical Regulation) Act. An industry code may be made to 'set out practices, standards and other matters about the provision of a utility service.'[26]

10. No legislative authority for distributors to enter land to conduct decommissioning activities without express permission (lifecycle planning, activity stage-gate approvals).

As decommissioning activities become increasingly common, we understand that the intention is for the majority of gas network infrastructure to remain in place rather than being physically removed. Further, we understand that some parts of the gas network infrastructure will need to be modified to ensure that the gas infrastructure that remains is safe. This may involve accessing gas infrastructure for remediation. To do this, utilities will need to access and occupy the land, conduct (de)construction activities, and a host of other things.

23 Utilities Act, see Dictionary: 'gas connection service'.
24 NGR, see Dictionary: 'connection alteration'.
25 Utilities Act section 55(1).
26 Utilities Act section 55(1)

Currently legislation does not expressly allow for teams conducting gas remediation to access the appropriate sites without consent to conduct decommissioning works.

It is noted that Division 5A.3 and Division 5A.4 of the Utilities (Technical Regulation) Act provides authority for maintaining vegetation which may impact electrical infrastructure assets. Similarly, section 105 of the Utilities Act provides a similar power to enter and occupy land, and conduct works. On face value, this helps facilitate decommissioning activities. However, this section only enables activities for the purposes of installation of a utility service.[27] Therefore, it is unlikely that this would extend to decommissioning activities which are at odds with the 'provision' of gas.

Section 106 may not be expansive enough to provide a robust power to utilities to enter and occupy land to conduct decommissioning. Failure to properly provide a power could result in legal action from affected homeowners, further delaying decommissioning.

11. Objects of the ICRC may not be consistent with decommissioning (lifecycle planning, ongoing regulatory oversight).

The ICRC is established under the *Independent Competition and Regulatory Commission Act 1997 (ACT)* and has some of its objectives set out in the Utilities Act. The objects of the ICRC include:[28]

> *(d) to encourage long-term investment, growth and employment in utility service industries;*

Noting that the ICRC is designed to regulate a range of different utility services in the ACT under the Utilities Act, object (d) is not wholly inappropriate. However, it could infer that long-term investment and growth in the gas market is supported in perpetuity.

Somewhat unrelatedly, the exclusion of specific objects of the Utilities Act do not necessarily mean that the Act is any less able to account for decommissioning activities that occur over the coming years but may make interpretation of the Act somewhat more difficult.

Utilities (Technical Regulation) Act

12. Lack of reference to decommissioning in the objects and other sections of the Utilities (Technical Regulation) Act (activity stage-gate approvals, safety, and risk management).

The requirement set out in section 11 of the Utilities (Technical Regulation) Act for technical codes to be consistent with the objects of the Act is a possible barrier. The objects of the Utilities (Technical Regulation) Act are set out in section 6 and include (emphasis added):

> *The objects of this Act are to—*
> *(a) ensure the safe, reliable and efficient* **delivery** *of regulated utility services; and*
> *(b) promote the* **long-term serviceability** *of regulated utility networks and regulated utility services; and*
> *(c) promote design integrity and* **functionality** *of regulated utility networks; and*
> *(d) ensure the safe and reliable* **operation** *and* **maintenance** *of regulated utility networks and regulated utility services to protect the following:*
> *(i) the public;*
> *(ii) people working on regulated utility networks and regulated utility services;*
> *(iii) property near regulated utility networks and regulated utility services;*
> *(iv) the environment.*

The objects of the Act do not include the need to disconnect and decommission safely and efficiently. While this presents an issue in itself, it also leads to technical complexities with respect to the technical codes. All objects of the Act are drafted as to support growth and maintenance of the gas network. Words used throughout the objectives of the Act (such as those emphasised in the extract above) connotate ongoing and consistent operation of the

27 Utilities Act section 105(1).
28 Utilities Act section 3.

gas network. Therefore, it is questioned whether amendments made to a technical code to facilitate disconnection, or the introduction of a standalone technical code made to facilitate disconnection, would be consistent with the objects of the Utilities (Technical Regulation) Act and therefore may not comply with section 11(1) of the Act.

This has flow on effects, as it limits the Technical Regulator's functions under section 78 to monitor and enforce compliance with technical codes that are consistent with section 11(1) and may not extend their compliance and enforcement powers to decommissioning activities. This is a significant barrier.

13. No offence provision for unauthorised disconnection from network (s 37) (safety and risk management, ongoing regulatory oversight).

Section 37 of the Utilities (Technical Regulation) Act makes it an offence to connect a premises to a gas network without authorisation. There is, however, no equivalent provision preventing people from disconnecting from the network. This leaves a gap in the legislation as it may lead to unauthorised disconnections that could pose a significant safety risk to the community. While captured by 'interference' offences, the regulator does not have the same powers to direct an unregulated individual to do things that it can direct a utility licence holder to do, along with penalty provisions.

The risk of unauthorised connections would result in accessing a utility without the necessary contractual relationships between distributor, retailer and customer in place, and therefore leading to 'free gas'. Unauthorised disconnection does not pose the same likelihood risk due to the limited benefit an individual would receive for unauthorised disconnection. Further, it is likely that the customer would still be charged the ongoing supply fee as the distributor would have no notice that their premises has been disconnected. However, in some rare cases, it is conceivable that someone may disconnect their own gas connection to avoid paying the disconnection fee, especially if there is no provision making it an offence. Due to gas being a highly dangerous substance, and a substance that is transported under pressure, the safety risk posed by unapproved disconnections by potentially unqualified individuals means that reform should be considered to reduce the safety risk posed to the community. It should be considered whether section 37 of the Utilities (Technical Regulation) Act should be modified to account for unauthorised disconnection.

14. No requirement for utilities to plan for network decommissioning (safety and risk management).

There are currently no legislative obligations for utilities to plan decommissioning activities. This leaves decommissioning activities up to Evoenergy to determine without any notification or transparency requirements for impacted stakeholders including:

- Regulators (e.g., technical regulatory functions not being able to effectively track where to focus their decommissioning-specific regulatory efforts and resources).
- The broader ACT Government (e.g., functions delivering important programs to vulnerable Canberrans in public housing).
- Retailers (e.g., those organisations that build commercial models around an anticipated customer base that is subject to significant change outside of their control).
- Customers (e.g. those individuals that require personal investment in electrical alternatives to gas appliances, or that buy gas appliances after decommissioning has been planned by Evoenergy but not communicated more broadly).
- Consumers (e.g. those that use gas appliances in rentals but do not have the ability to transition to electrical alternatives if gas supply no longer exists in their district).

Gas Safety Act 2000

15. Objects of the Act do not allow for decommissioning activities (safety and risk management).

Section 6 of the *Gas Safety Act 2000* (Gas Safety Act) sets out the objects of the Act. These are limited to (emphasis added):

> *(a) promote safe and efficient gas* **usage***; and*
> *(b) establish a regulatory system for the following:*
> *(i) the* **installation***, operation, maintenance and repair of consumer piping systems;*
> *(ii) the* **connection** *of gas appliances to consumer piping systems;*
> *(iii) the* **commissioning***, maintenance, repair and servicing of gas appliances connected to consumer piping systems;*
> *(iv) the testing and inspection of consumer piping systems and gas appliances;*
> *(v) the* **installation***, operation, maintenance,* **commissioning***, testing, inspection and repair of medical gas systems.*

Despite these objects of the Act being quite broad, the emphasised words clearly demonstrate the tilt towards gas usage, installation, connection and commissioning, rather than the need to create a regulatory framework for the decommissioning of consumer-side gas infrastructure. As such, gas safety laws are likely to be limited in their application to decommissioning activities.

16. Offense provisions for gasfitters may not extend to decommissioning work (safety and risk management).

Part 2 of the Gas Safety Act sets out a range of offense provisions for 'gas fitters' and 'gas appliance workers' where their work does not comply with a standard, law or regulator or where they do not remedy a substantive risk to safety of a person.

However, these offences depend on the definition of 'gas fitting work' and 'gas appliance work'. The definition for 'gas fitting work' at 6F(a)(i) includes (emphasis added):

> *…work on a consumer piping system, or proposed consumer piping system, including the connection or* **disconnection** *of a gas appliance…*

However, the definition of 'type A gas appliance work' and 'type B gas appliance work' both only apply to:

> *…the installation, commissioning, maintenance, modification, repair or service…*

This definition does not refer to disconnection or decommissioning of gas appliances. Therefore, if type A or type B appliance works are done, and are not completed to the appropriate standard, these defective and potentially dangerous works may not be appropriately captured by the current offenses set out in part two of the Act. This would mean the individuals completing work to an inadequate standard may not be captured by the Gas Safety Act. This could present a risk, especially as disconnection of gas appliances comes increasingly common.

Gas Service & Installation Code (GS&I Code)

17. Lack of explicit reference to disconnection, dismantling and decommissioning of gas network infrastructure in Gas Service & Installation Code (safety and risk management, ongoing regulatory oversight).

The GS&I Code made under the Utilities (Technical Regulation) Act, does not expressly refer to disconnection, dismantling or decommissioning of gas network infrastructure.[29]

29 Utilities Act, Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021.

Currently section 2.2 of the GS&I Code does not refer to dismantling or decommissioning infrastructure as part of the regulatory framework, and that decommissioning must also be done in a safe, reliable and efficient manner.

As such, Evoenergy's Gas Service and Installation Rules (GS&I Rules) do not need to refer to disconnection or decommissioning explicitly. However, it could be read that decommissioning is a form of management (under section 2.2(2)(a)) and is a form of alteration (under section 2.2(b)(i)). This is not explicit and is left to interpretation, which the review considers a form of regulatory barrier.

Other pinpoint references that appear to lack reference to disconnection and decommissioning but may warrant more explicit reference are:

- sections 7.2(1)
- section 7.3.3(2)-(3).

Despite no reference, Evoenergy's GS&I Rules do account for temporary and permanent disconnection, and as the sole distributor this means that there is not a high risk posed if an amendment is not made.[30] However, inclusion of this amendment in the GS&I Code would help to formalise this as an obligation and would ensure ongoing inclusion of disconnection provision within the GS&I Rules developed by the utility.

No obligation of utilities to manage disconnections in a safe, reliable and efficient manner

Section 5.1(1) of the GS&I Code aims to ensure that work done on consumer's premises are done safely, reliably and efficiently. There is no equivalent provision to place a positive obligation upon utilities to ensure that both temporary and permanent disconnection are completed safely.

Similarly to the above observation, disconnection may be included under 'modification' of connections and meter assemblies, however this link is tenuous and clearly open to interpretation. Placing a clear obligation on utilities to ensure disconnections occur safely would minimise variable interpretation of this section and would make it clear to utilities that they hold an obligation to disconnect safely. With the number of disconnections significantly increasing over the next 20 years it is vital that an obligation to ensure safety in these areas are placed upon utilities.

No obligation for utilities to ensure that disconnections occur with approval

Section 5.1(2) of the GS&I Code provides that a utility must ensure that connections to the gas network only occur with its approval. The utility's approval or refusal will be based on ensuring minimum gas supply to original or existing gas customers is supplied from a gas connection. The GS&I Code also places a positive obligation on utilities to ensure connections only occur with its approval. This means that the utility bears the onus of ensuring compliance by others. This is typically an effective mechanism to reduce the burden on government and transfer the onus of compliance onto the entity that is most easily able to perform.

In the context of temporary and permanent *disconnections*, no positive obligation exists on a utility to ensure that disconnections only occur with its approval. While it is noted that there is a provision at section 15 of the Gas Safety Act which creates an offence for owners of premises from operating consumer piping that is unsafe (and likely an unauthorised disconnection would be unsafe) and this would likely capture unauthorised disconnections that occurred on the premises side of the gas supply. Currently there is no onus on utilities to ensure unauthorised disconnections do not occur.

No obligation to accept a request to disconnect and possible inconsistency with the Climate Change Act

Section 5.1(3) of the GS&I Code prevents a utility from refusing to connect safe and compliant premises to the gas network. This is potentially inconsistent with section 13A(1) of the Climate Change Act which states that a gas distributor must not provide a new gas connection for natural gas in an area, or to stated premises in an area, prescribed by regulation.

Additionally, another barrier could arise where there is no obligation on a utility to not unreasonably refuse requests for disconnection. There is a somewhat inherent conflict of interest between the gas distributors interest in keeping customers on the network, and the ACT Governments' interest in encouraging disconnections from the network.

30 See Evoenergy, Gas Service and Installation Rules, 2nd Edition, version 3.8, 2 May 2024, paragraph 2.13.

18. Gas Service and Installation rules made under GS & I Code prevent customers from placing gas disconnection requests directly with distributor (stakeholder consultation and ongoing engagement).

Customers should be able to easily and efficiently disconnect their gas supply if they choose to do so. To enable this, there needs to be 'no wrong door' for customers applying to have their gas connection temporarily or permanently disconnected.

Currently, Evoenergy's GS&I Rules state that:

> *2.13.2 - … Customers cannot apply for temporary disconnection directly with Evoenergy, except in unusual circumstances, determined by Evoenergy on a case-by-case basis.*

This presents a barrier to customers disconnecting. Where customers have gone out of their way to proactively disconnect, red tape and additional costs presented by rules like these frustrate customers and can affect how customers relay their experience to other customers who may soon disconnect themselves, potentially further slowing decommissioning.

Stakeholder engagement throughout the review identified that shifting more customer-facing obligations from retailers to distributors could be challenging as distributors' processes and staff training are generally not set up with customer interaction as front of mind. Whereas retailers' staff are specially trained, and processes are custom-built around customer engagement.

It is also important to note that although combining the roles of distributors and retailers could present some efficiency gains, generally it is anticipated that these gains would not outweigh the significant work that would be required the combine the roles and responsibilities of these entities within all legal frameworks. A targeted approach to streamlining accountabilities is required.

Gas Safety and Network Code

19. Obligations on distributors to ensure network is operated safely and efficiently may not extend to the decommissioning of network infrastructure (safety and risk management).

Ensuring decommissioning is conducted safely is vital. While the Gas Safety and Network Code made under the Utilities (Technical Regulation) Act currently aims to ensure that the gas network is operated, maintained and constructed safely and reliably, it does not include any obligation to ensure the same standard is met for decommissioning the gas network.[31]

This is demonstrated clearly in:

- the Gas Safety and Network Code's purpose, which is to ensure the safe and reliable design, construction, maintenance and operation of gas networks in delivering gas to customers.[32]
- section 5.1(1) which provides a utility must manage the design, construction, operation and maintenance of the gas network to ensure the safe, reliable and efficient supply of gas.

20. Requirements for ad hoc reports do not include decommissioning activities (ongoing regulatory oversight).

The Technical Regulator's current power under section 10.3(1) of the Gas Safety and Network Code does not extend to requiring production of an ad hoc report regarding disconnection or decommissioning activities. It states:

> *The Technical Regulator may require that the utility provide Ad Hoc Reports concerning the construction, operation and maintenance of the gas network and matters relating to customers, retailers, other Stakeholders who are affected by the construction, operation and maintenance of the gas network or business or matters that may affect the performance of the network, it considers necessary to satisfy itself about the safety and reliability of the gas network.*

31 Utilities Act, Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021.
32 Utilities Act, Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021 section 2.2(1).

Monitoring and compliance powers that flow from this power therefore are limited and likely do not include disconnection and decommissioning activities.

Regulated Utility Coordination Code

21. While there is an obligation to communicate when operations could affect another utility, this obligation does not extend to decommissioning activities (s 4(1), 4.1(1)) (stakeholder consultation and ongoing engagement).

Communication between utilities will be vital during the phased transition from gas to electrification. Without communication between gas and electricity distributors, electricity distributors will be unable to effectively anticipate demand and plan to ensure that electricity generation, transmission and distribution infrastructure is in place as it is required. This will become increasingly important as there will be a mass shift from gas to electricity over the coming 20 years.

Currently, the Regulated Utility Coordination Code, made under the Utilities (Technical Regulation) Act , provides that utilities must communicate with other utilities where there is a risk that changes to one utility's network could affect another's.[33] Section 4.1(1) of the code states (emphasis added):

> *If a proposing regulated utility proposes* **the design, construction, testing, commissioning, operation, maintenance, augmentation and expansion***, of its regulated utility network or any other works (collectively the relevant works) that affects or could affect the approved design or existing or future construction, commissioning, operation or maintenance of another regulated utility network, the proposing regulated utility must:*
> *(a) before undertaking, permitting or otherwise facilitating any of the relevant works, notify the affected regulated utility in writing of the relevant works; and*
> *(b) not undertake, permit or otherwise facilitate the relevant works until the affected regulated utility and proposing regulated utility (the relevant utilities) have agreed on the undertaking of the relevant works, or a determination has been issued under clause 4.2.*

This provision does not include any obligation to communicate where decommissioning works are planned to be undertaken (extent of obligation has been bolded). This presents a barrier to the decommissioning of gas. Communication between utilities is required to facilitate an efficient and safe decommissioning, however as currently drafted, there is no obligation for this to occur.

Other barriers (gaps)

22. Consumers have ability to reconnect to gas network where they have temporarily disconnected or where they are zero-consumption households.

While the Climate Change Act prevents 'new gas connections' in areas that are prescribed by regulation. This does not prevent a customer from reconnecting their premises to the gas network where they only have a temporary disconnection.

Section 13A(1) of the Climate Change Act states:

> *A gas distributor must not provide a new gas connection for natural gas in an area, or to stated premises in an area, prescribed by regulation.*

A 'new gas connection' is defined in section 13A(4) and does not include circumstances where a household that completely transitions all appliances from gas to electric chooses after a period to switch back to gas appliances and continue using their gas supply. The ACT Government may wish to consider whether once a household is zero-consumption, whether there should be a legislative mechanism that bans them from reverting back to gas usage.

This obligates customers to apply for a disconnection and then once this disconnection is in force, they can no longer have this undone.

33 Utilities Act, Utilities (Technical Regulation) (Regulated Utility Coordination Code) Approval 2021.

23. No ban on installing and selling gas appliances in the ACT (lifecycle planning, activity stage-gate approvals, stakeholder consultation and ongoing engagement)

Currently, there is no ban on the sale or installation of gas appliances in the ACT. As the phased transition towards electricity is underway, it may be worth considering whether consumers should be permitted to purchase and install gas appliances. If a consumer installs a gas appliance today, such as a water heater, this extends the time that they will be connected to the gas network.

Banning the installation of gas appliances may expedite the transition but would only be effective where compliance with this requirement is subject to ongoing monitoring and compliance activities. However, the effectiveness of compliance activities will rely on the availability of high-quality data to assess the level of compliance and respond accordingly. Data capture mechanisms will need to be established to ensure that relevant information such as license holder names, place/s of business, and job particulars is available to assess compliance with license requirements.

The ACT Government may need to consider potential implications for both consumers and industry (i.e. gas fitters) and what if any supports or compensation may be payable by the Government. For example, the legalisation of Uber by the NSW Government in 2015, resulted in a fundamental change in the market dynamics for the passenger transport sector. In addition to the increased competition, Uber's ability to operate without an equivalent licencing regime contributed to driving down the value of taxi licences by 50% in metropolitan NSW markets. With mounting financial losses and successful class action lawsuits against Uber, in 2018 the NSW Government introduced the Passenger Service Levy fee to be applied to individual passenger trips provided by taxis and ride-share providers like Uber. The levy was designed to fund the Government's $905m assistance package for taxi licence holders who were severely impacted by the NSW Government's legalisation of Uber in 2015.[34]

The declining use of gas will have extended impacts upon the entire industry, this includes upon occupations such as gas fitters and other professionals who rely heavily upon the gas supply industry for work. The trend towards decommissioning will strongly impact these professionals. Therefore, ensuring that measures are in place to support these professionals over the next 20 years is vital. It is pertinent to note that some qualifications, such as certificate in gas fitting, can be (and typically are) obtained in tandem with other qualifications, such as a plumbing license. This provides opportunities for some professionals to more smoothly transition into other work opportunities, relative to professionals who only hold a gas fitting qualification. Professionals who work solely within the gas industry will require additional and more tailored support.

24. No mechanism for the ACT Government to obligate utilities to stop providing utility services (ongoing regulatory oversight, activity stage-gate approvals).

During the phased transition from gas, it is anticipated that a significant portion of the transition would come about due to early planning and clear signalling towards consumers. In practice, this would involve clear messaging about the decommissioning of gas; incentives for consumers to switch from gas; and preventing/disincentivising the purchase or installation of gas appliances. Additionally, it is envisioned that distributors and retailers would play a proactive role in leading the decommissioning of gas within the ACT. A collaborative approach between retailers, distributors, consumers and the ACT Government would likely provide the safest, most equitable and most efficient decommissioning pathway. This pathway would include development of decommissioning plans by distributors and subsequent adherence to these plans. These two mechanisms would play a key role in facilitating decommissioning over the coming years.

However, to support the distributor and ensure compliance, it may be required for the ACT Government to hold specific authority to compel utilities to develop and comply with decommissioning plans. There may come a point where (following meeting of relevant thresholds and other requirements) the distributor may be required to cease supplying gas to certain areas of the ACT. These cessations of supply would be made on a district-by-district basis where decommissioning only occurs once a threshold of people have moved off the gas network and the ACT Government has authorised the shutdown. In these circumstances, the ACT Government would have the authority to approve the shutdown, or if required, the authority to direct a shutdown of gas supply to that area.

Currently, Part 13 of the Utilities Act provides the Minister with the power to agree with utilities that they may have to do certain things in order to give effect to relevant government programs. Under section 221, the Minister is also authorised to provide a direction to the utility to comply if an agreement cannot be made. However, as currently drafted, this part may not extend to directing utilities to withdraw services, conduct decommissioning activities or to disconnect certain areas of the network. This poses as a barrier to decommissioning. As without a mechanism to ensure the network is shut down, this could significantly delay decommissioning activities.

34 Revenue NSW, Passenger Service Levy, accessed 15 July 2025.

Section 219 currently states that (emphasis added):

> *The purposes of this part are—*
> *(a) to oblige utilities to* **provide utility services** *in accordance with relevant Government programs, for example, for community services, the environment or other social issues; and*
> *(b) to achieve that result by agreement with particular utilities or, where agreement is not reached, by directions under this part; and*
> *(c) to provide utilities with a reasonable recompense for the provision of services in accordance with such directions.*

While this power to require utilities to comply with Government programs could act as a helpful tool, amendment would be required to ensure that this power extended to decommissioning activities, or to stop providing utility services. This is the case because 'providing utility services' as set out in section 219(a) may not extend to decommissioning activities. This section would be particularly important to amend prior to use as its use would effectively be directing the distributor to decommission their own network. The risk of litigation from a distributor arising from improper use of this power could be high.

25. There is no adequate requirement for distributors to communicate to customers when disconnection and decommissioning activities may impact their service (stakeholder consultation and ongoing engagement).

During the phased decommissioning of gas, there needs to be clear, regular and consistent communication to consumers about when their premises is planned to be disconnected from the gas network. This communication needs to be done early in order to provide an adequate amount of notice that is proportionate to the significant step that permanent disconnection is.

Currently, there is no requirement dictating what this notice period should be. Whilst the NGR at rule 90(1B) provides that notice must be given before a planned interruption this does not extend to, or provide adequate notice for, decommissioning. In adjacent essential service sectors in Australia, the minimum notice period ranges from 5 days to 15 days depending on the circumstances necessitating the disconnection. For example under the national Telecommunications Consumer Protection Code, service providers are only required to provide 5 working days' notice before restricting, suspending or disconnecting a telephone or internet connection.[35] Similarly, under Part 6 of the National Energy Retail Rules, a distributor may disconnect (de-energise a connection following a disconnection warning notice by providing at least 5 business days' notice or at least 15 days' notice where the customer has a dual electricity and gas contract with the retailer[36] In contrast, internationally jurisdictions such as France have similar individual consumer notice requirements, albeit they require minimum 20 day notice requirements. While providing consumers notice of network-wide disconnection and/or decommissioning is less common, the Netherlands requires that an 8-year notice period is observed if regional governments wish to implement designated gas-free areas, see Annex A: Domestic and International Case Studies.

A recent domestic example that highlights the impact of no prescribed notice periods can be found in the Solstice Energy decommissioning of 10 rural Victorian towns.[37] In this instance, an estimated 1,100 customers were provided with 16 months' notice that their gas service would be shut down due to rising costs upon Solstice Energy, the retailer. Whilst, in this instance Solstice Energy was an un-regulated network, customers and community groups have already signalled that the limited notice period will affect their ability to plan for and deliver a transition that is efficient and equitable. Financial support has now been made available by the retailer and the Victorian Government to support the rapid transition.[38]

Consumer protection legislation and identified barriers

In addition to barriers identified within economic and technical regulatory frameworks, the gas regulatory landscape is supported by a range of consumer protections to mitigate the high costs of gas, and/or the previous lack of alternatives to gas.

35 Australian Communications and Media Authority (ACMA), Telecommunications Consumer Protections Code.
36 See NERR sections 108 - 117.
37 ABC News, Solstice Energy to cut gas supply to 10 regional Victorian towns, 5 August 2025.
38 Solstice Energy, Helping you switch to cheaper energy, accessed 14 August 2025.

National Energy Retail Law

26. Definition of Retailers and Distributors does not extend to decommissioning in the NERL and NERR (s 16(c)(ii)) (lifecycle planning, ongoing regulatory oversight).

The NGL states at section 16(c)(ii) that the NERL and the NERR apply to retailers and distributors to the extent that they sell natural gas or equivalents. This provision is currently effective at ensuring that both retailers and distributors are captured by the NERL and NERR, however as gas demand continues to decline over the course of the phased network decommissioning, there will likely come a point where gas supply to all areas in the ACT is disconnected while there is still decommissioning work to be completed.

In these cases, it may be possible for an entity that is completing decommissioning activities to escape coverage of the NERL and the NERR as they are no longer selling gas. This poses a risk to consumers who may interact with this entity and may not have appropriate consumer protection measures in place.

27. Clarification of distributor/retailer obligations under customer contracts is required to confirm decommissioning is not a breach of contract (s 27) (economic and consumer protections)

One of the ways in which the NERL operates to protect customers is through the use of standard customer contracts and obligations on retailers and distributors to comply with the terms of these standard contracts. Section 27 of the NERL is a civil penalty provision that states:

> *A designated retailer must comply with the obligations imposed on the retailer under the terms and conditions of a standard retail contract between the retailer and a small customer.*

Similarly, section 71 of the NERL operates to establish a similar civil penalty provision on distributors and notes:

> *(1) A distributor must comply with the obligations imposed on the distributor under the terms and conditions of a deemed standard connection contract between the distributor and a customer.*

Under the NERR, customer contracts for gas can be made under either a standard retail contract, as provided in rule 12, or under a deemed standard connection contract, as provided under rule 81. These contracts are standard and currently in use and govern the relationship and interactions between small customers, retailers and distributors.

However, the existing standard contracts do not make allowances for disconnection of services due to planned decommissioning. An example of this is within the model terms and conditions for deemed standard connection contracts, set out in schedule 2 of the NERR. Clause 12.1 of these standard terms sets out the circumstances in which there is a contractual right of the distributor to disconnect the customer from gas supply. Disconnection due to decommissioning is not one of these, therefore, as currently drafted disconnection of customer for decommissioning purposes may give rise to breach of contract.

Whilst this could give rise to a contractual breach and subsequent penalties, it would also give rise to a breach of the civil penalty provision set out in section 71 of the NERL. This currently presents a barrier to distributors disconnecting customers, even when disconnection has been planned and is part of the phased decommissioning of gas.

28. Energy Marketing Rules do not include providing prospective customers with information about gas decommissioning (s 53) (economic and consumer protections, stakeholder consultation and ongoing engagement).

Section 53 of the NERL allows Energy Marketing Rules to be created and apply to anyone who carries out energy marketing activities. The rules are set out within the NERR under division 10 of part two. Rule 64 for example includes a range of required information that retail marketers need to communicate to small customers. Not included in this list is information relating to decommissioning, and details about when their premises is proposed to be disconnected from the gas supply network.

Whilst there is no set timeline for decommissioning, other than a goal of 2045, establishing clear communications and marketing guidelines within the Energy Marketing Rules would help to provide consumers with transparency and provide them with additional information to consider prior to entering a contract for the supply of gas with a retailer.

29. Retailer of last resort framework may become impossible to administer in later stages of decommissioning (lifecycle planning, economic and consumer protections, environmental management)

Part 6 of the NERL establishes the 'retailer of last resort' framework (ROLR). This ensures that if a retailer fails, another is available to ensure energy supply is maintained. This applies to gas distributors.[39] Whilst this has and currently continues to serve as an important protection for consumers to ensure there is always a retailer available supply gas to the premises, as phased decommissioning occurs, there may be a point where the last retailer deems it no longer economically viable to trade, potentially winding up.

Where a retailer ceases to trade, section 125 of the NERL states that the default ROLR is the distributor, in the case of the ACT this would be Evoenergy. However, there may also be a scenario where the distributor is also unable to trade and therefore is also unable to act as the ROLR. In this case there may be two options.

Firstly, the ACT Government may have to step in to continue ensuring that the remaining consumers within the ACT continue to receive gas until it is no longer required. As currently drafted, there is no consideration of a scenario where there is no remaining ROLR and no recognition of the fact that the government may have to intervene.

However, the second option may be to appoint an ACT electricity retailer as the ROLR. Section 123 of the NERL, along with the AER's Guidelines issued under s135 of the NERL sets out the criteria that a ROLR must fulfil. Provided an electricity retailer meets these criteria, the AER could determine that an existing electricity retailer be appointed as the ROLR for the gas network. The appointment of an electricity retailer could also be approved in addition to the existing ROLR, Evoenergy.

30. Unexplicit ability within NERL to make rules related to decommissioning under the NERR

The NERL enables the NERR to be made in relation to a range of subject matters set out in section 237 of the NERL. Within these subject matters, section 237(2)(h) notes that (emphasis added):

> *(2) the Rules may make provision for or with respect to the following matters*:
> ...
> *(h) the energisation,* **de-energisation** *or re-energisation of premises of customers;*

This inclusion of 'de-energisation' could potentially extend to de-energisation for decommissioning purposes and therefore could provide an opportunity for creating rules under the NERR that relate to decommissioning gas. However, considering the severity of rules that will be made under the NERR related to decommissioning, it is important to note that if the authority provided by section 237(2)(h) is later found to be insufficient to support these rules, this would invalidate all rules within the NERR made based upon this power. This would cause significant confusion, delay, expense and risk. It would therefore be prudent to include a specifically drafted head of power to mitigate this risk. Specific legal advice on the limits of the provision's rule making power or the need to provide for a specific and discrete decommissioning rule making power may be required.

National Energy Retail Rules

31. Consumer protections prevent disconnection of gas connection for decommissioning purposes

As mentioned previously, during the phase transition from gas, there will be a point where certain areas within the ACT require the disconnection of gas while a minority of customers remain on the network. However, currently consumer protection provisions that sit within multiple sources of law prevent this disconnection of gas occurring when required.

While the NERR sets out a range of circumstances where retailer-initiated and distributor-initiated disconnections can occur, these circumstances are strict and very narrow, and as currently drafted, do not extend to decommissioning. Circumstances where a retailer or distributor can disconnect gas from a small customer's premises include, but are not limited to:

- When a bill has not been paid[40]
- When a security deposit has not been paid[41]

39 NERL section 125(1)(b).
40 NERR r 111.
41 NERR r 112.

- When access has been denied to a meter[42]
- When there has been illegal use of gas[43]
- When a new owner moves into a premises[44]
- When there has been a customer request for disconnection[45]
- At the direction of a relevant authority.[46]

Very few of these listed circumstances would likely extend to disconnecting gas from a premises for decommissioning purposes. Therefore, this poses as a key barrier to decommissioning. However, disconnection can be triggered by the distributor at the direction of a relevant authority, therefore potentially providing grounds to disconnect gas. This section relating to directions from a relevant authority relate more closely to emergency disconnection circumstances where immediate disconnection is required for safety reasons.

Another barrier that arises from the consumer protection legislation sits within the Consumer Protection Code, which is made under the Utilities Act.[47] Section 20.3 states that:

> *Subject to the Utilities Act and clauses 10.2, 20.2 and 20.4, a Utility may disconnect or restrict the supply of a Utility service it provides to Premises supplied under a Customer Contract if the Utility:*
> *(1) is entitled to do so under the Customer Contract;*
> *(2) reasonably believes that failure to disconnect may constitute a health or safety risk to the Customer or to another person;*
> *(3) reasonably believes that failure to disconnect will cause, or is likely to cause, serious damage to property;*
> *(4) reasonably believes that failure to disconnect may affect the safe operation of the Network of the Utility;*
> *(5) reasonably believes that the Installation of the Customer does not comply with the relevant Service and Installation Rules or any other reasonable Installation requirement prescribed by the Utility.*

As currently drafted, section 20.3 of the Code stipulates that a utility may only disconnect or restrict supply if entitled to do so under the customer contract; where failure to disconnect may present a safety/health risk; to prevent serious damage to property; to ensure the safe operation of the network; or because a customer's gas installation is unsafe. This would therefore prevent disconnection of gas from the premises for decommissioning purposes, unless amendment was made to section 20.3 of the Code to enable disconnection in these circumstances.

32. There is currently no requirement for utilities to communicate support available for decommissioning activities

An ideal transition from gas includes that vulnerable customers are aware of all the support mechanisms available to them. This includes receiving information about ACT Government transition schemes, grants and rebates. This communication, combined with clear messaging about when decommissioning will occur and how it will impact these vulnerable consumers would help support these consumers to plan their transition off the network.

There are currently legislative requirements for retailers to provide information to consumers to ensure consumers are informed when interacting with retailers, these do not currently extend to information related to decommissioning. Currently, under section 75H of the Utilities Act, NERL retailers must provide information to consumers about better electricity prices and GreenPower electricity products, failing to do so attracts a maximum penalty of up to $11,060,000 for a corporation.[48]

We understand that similar consumer protections to inform consumers about decommissioning activities or incentives do not currently exist.

33. There are no thresholds for when an area can be disconnected, and no authority to pay customers to transition

To decide when an area can be safely and fairly disconnected from the gas network, there is a need for threshold requirements to act as criteria for when disconnection can occur. These thresholds need to be legislated or established within subordinate instruments. In practice, this threshold may look like a certain percentage figure of zero-consumption premises, a number of consuming households per km^2, a minimum measure of gas usage per capita, gas usage per km^2, or some other measure.[49]

42 NERR r 113.
43 NERR r 114.
44 NERR r 115.
45 NERR r 118.
46 NERR r 119(i).
47 Utilities Act, Utilities (Consumer Protection Code) Determination 2020.
48 See also Utilities Act section 75E and 75GA.
49 Rosenow, Lowes & Kemfert, The elephant in the room: How do we regulate gas transportation infrastructure as gas demand declines?, 2024.

A recent report commissioned by the ACT Government examined thresholds for a gas network shutdown for use as a modelling assumption.[50] The report identified that selecting a percentage gas usage threshold needed to balance an aggressive approach to decommissioning that would deliver decommissioning sooner, but with higher appliance write-down costs, against a lower percentage threshold which will reduce costs, but may delay decommissioning.

The report concluded that (for the purposes of modelling and analysis) an assumption of 20% gas usage should be applied as a decommissioning threshold. This is due to the balance it strikes between a timely decommissioning with reduced costs and avoiding a 'defection spiral' and stranded assets.

Separate to this report, there is limited external discussion surrounding an established threshold for commencing decommissioning, likely due to the novelty of decommissioning gas. The ACT Government may need to conduct further work to establish a policy position as to what the thresholds for disconnecting an area from the network should be. This ensures that stakeholders affected by the gas transition will understand when disconnection will occur. Whatever the set threshold is decided as, it is vital that this threshold is evidence-based and effectively communicated to gas customers.

Once a threshold is set, it is also important that this is extrapolated into an estimated disconnection date so that end customers can interpret the information and plan accordingly. Customers are unlikely to pay attention to specific decommissioning targets and compare those against ongoing trends towards those targets. Therefore, communicating these extrapolated deadlines will assist consumers to make informed decisions.

There is also a gap in that there is no ability for distributors to proactively pay for customers to be transitioned in cases where a small number of customers prevent the shutdown of an area as the decommissioning threshold has not been reached. In these cases, authority for the distributor to pay customers to transition, and potentially forcibly remove customers from the network may be required.

In reviewing the legislative frameworks throughout this project, there were no provisions that explicitly prevented the utilisation of economic efficiency tests to determine whether certain areas remain commercially viable or should instead be forcibly transitioned through rebates to ensure the transition is efficient.

Ancillary legal frameworks and identified barriers

Operation of laws

Operation in a growing market

In addition to the specific laws governing gas and consumer protections, a range of ancillary regulatory frameworks will intersect with decommissioning activities as the ACT transitions to an all-electric future. As currently established, many regulatory frameworks do not regularly interact with the gas regulatory framework. Many pieces of legislation may briefly touch upon gas, but will not hinder its operation, due to the stable and predictable nature of the previously growing and stable gas network. However, this is no longer the case.

Operation in a declining market

While many ancillary regulatory frameworks do not directly regulate the ACT gas industry, many frameworks will likely indirectly impact the transition away from gas, as many frameworks also did not conceive that the gas network would need to be decommissioned in the future. Some elements within these frameworks may present barriers that hinder a transition that is safe, efficient, and equitable. Given the complex and multi-faceted nature of the transition away from gas which will affect numerous areas of law and regulation, we have undertaken a review of relevant frameworks to identify those that may pose challenges during this period of change.

Barriers to decommissioning

Australian Capital Territory (Self-Government) Act 1988 and Australian Capital Territory (Planning and Land Management) Act 1988

A range of land-related Territory and Commonwealth laws create significant complexity for gas decommissioning in the ACT. These laws include:

- *Australian Capital Territory (Self-Government) Act 1988* (Cth)
- *Australian Capital Territory (Planning and Land Management) Act 1988* (Cth)
- Australian Capital Territory National Land (Leased) Ordinance 2022.

50 Aurecon & Energeia, Gas Transition Pathway to Net Zero – Final Report, 31 July 2024.

Prior to Self-Government in 1989, the Commonwealth managed all land in the ACT. The ACT Government now manages all the land in the Territory except those areas gazetted as National Land, which the Commonwealth retained for its own use. In addition to Territory land and National Land, Designated Areas also exist which provide approval oversight by the National Capital Authority to ensure 'Canberra and the Territory are planned and developed in accordance with their national significance.'

110 diplomatic leases and ten foreign missions also exist in the ACT. The NCA manages diplomatic estates through:

- Sale and issue of Crown leases for diplomatic purposes
- Rent collection
- Lease variations
- Development compliance and approval
- Lease compliance.

The NCA also manages licence agreements for use of its departmental properties including Commonwealth Place, Regatta Point, Commonwealth Park and Acton Peninsula.

Some land in the ACT is also governed by other laws including the *Defence Act 1903* and the *Airports Act 1996*, which gas consuming entities (such as the Department of Defence and Canberra Airport) must be cognisant of in undertaking regulated activities in these areas.

All of these 'types' of land create a range of overlapping and partially applied laws that must be clearly understood and communicated with the gas network distributor, retailers and relevant consumers to ensure disconnection and decommissioning can occur as seamlessly as possible. The barriers below are likely not a comprehensive list of land-related considerations and given the complexity of arrangements between the Territory and Commonwealth, comprehensive, formal advice from the ACT Government Solicitor is warranted at this early stage of planning to inform discussions about amendment, exemption, or non-application of Commonwealth laws where they present regulatory complexity and barriers to decommissioning by 2045.

34. Approval of 'works' in Designated Areas required by the NCA (lifecycle planning, activity stage-gate approvals)

The National Capital Plan is the strategic plan for Canberra and the Territory. The Plan sets out the broad planning principles and policies for Canberra and the Territory, and detailed conditions of planning, design and development for the 'Designated Areas' because of their particular importance to the special character of the national capital.

Works approvals are required to be approved by the National Capital Authority (NCA) prior to any works being conducted. 'Works' include the construction, alteration, extension or demolition of buildings or structures as well as excavations.[51]

This adds a layer of complexity and administrative burden for the entity undertaking decommissioning activities that require alteration, demolition and excavation of gas infrastructure in Designated Areas.

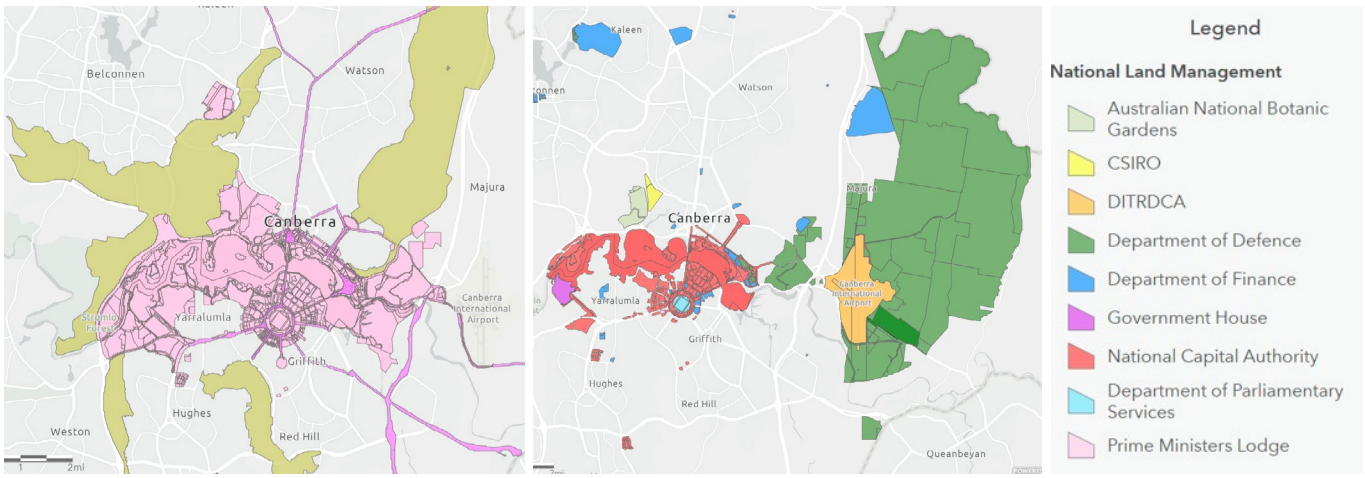


Figure 3: Designated Areas in the National Capital Plan (left, highlighted in pink) and administrative arrangements for the management of National Land (right)[52]

51 Australian Capital Territory (Planning and Land Management) Act 1988 section 4.
52 National Capital Authority, National Land Management, accessed 15 July 2025.

Airports Act 1996

35. Canberra Airport Master Plan 2020 will run until 2040 and includes the use of gas for trigeneration NCA (lifecycle planning, activity stage-gate approvals).

Canberra Airport is a 'core regulated airport' and 'joint-user airport' under the *Airports Act 1996*.[53] Under the Airports Act, Canberra Airport must have a Master Plan that contains matters specified in section 71 of the Airports Act. Canberra Airport's Master Plan explicitly refers to gas engineering services required to maintain the trigeneration plants that the airport and business district use for electricity, heating and cooling. The Master Plan is in effect for the period 2020-2040.

This is a possible regulatory barrier as Airservices Australia has approved Canberra Airports Master Plan for the majority of the decommissioning phase of the gas network in the ACT (2020-2040), including the explicit use of gas for trigeneration. If decommissioning is to occur for gas infrastructure at Canberra Airport, a draft variation of the final master plan would need to be lodged with the Minister.

36. Infrastructure removal required at the Canberra Airport incl. business district NCA (lifecycle planning, activity stage-gate approvals).

'Building activities' are defined under the Airports Act to include 'undertaking, constructing or altering engineering works' as well as 'demolishing, destroying, dismantling or removing engineering works.' Pipelines are considered engineering works.[54]

Building activities cannot be undertaken by Canberra Airport or Evoenergy without an approval. This is a regulatory barrier as it requires approval from a federal regulator (Airservices Australia) to achieve the Territory's goal insofar as decommissioning extends to gas used by the airport.

Given most of the area around Canberra Airport is a Designated Area, significant complexity and overlapping regulatory obligations involving different regulated entities exists.

Civil Law (Sale of Residential Property) Act 2003

37. Disclosure requirements when selling residential property do not include disclosing whether there is a gas connection, or when it is proposed that a gas connection will be disconnected NCA (economic and consumer protection, stakeholder consultation and ongoing engagement).

A risk presented by the decommissioning of gas across the ACT, is that as each household starts their own decommissioning journey, these will progress at different rates, and in different ways. The need to ensure that the purchasers of residential properties are aware of whether a gas connection exists at the property is vital to ensure safety.

Currently, the *Civil Law (Sale of Residential Property) Act 2003* (Residential Property Act) sets out the requirements for the sale of residential property. Included in these requirements is a range of documents that are required to be enclosed as part of the contract for sale.[55] This includes documents such as energy efficiency rating statements, building compliance inspection reports, pest inspection reports, and where available, asbestos disclosure reports or an asbestos advice page.[56]

There is currently no such requirement to disclose whether there is an active gas connection to the premises or where a premises has been disconnected, whether this disconnection is temporary or permanent. This lack of information creates serious concerns in the context of future excavation work or planning, which relies on robust information about underground dangerous infrastructure. Additionally, as the transition has progressed and certain areas within the ACT are set for the gas network to be decommissioned in those areas, communicating these decommissioning dates to new prospective owners needs to occur. Currently, the lack of disclosure requirements in the Residential Property Act poses a significant gap to the transition from gas.

53 Airports Act 1996 sections 7 & 7A.
54 Airports Act 1996 section 98.
55 Property Act section 9.
56 Property Act sections 9(1)(h)(i)-(ii), 9(1)(i), 9(1)(j)

Unit Titles (Management) Act 2011

38. Multi-unit buildings face unique complexities in their transition (lifecycle planning)

There are additional complexities for transition in multi-unit complexities, due to the very nature of there being multiple owners in decisions relating to certain property in an owners corporation.

Multi-unit complex decision-making is dealt with in the *Unit Titles (Management) Act 2011* (Unit Management Act). Under the Unit Management Act, decisions made by an owners corporation must be passed at a general meeting, with specific voting thresholds depending on the nature of the resolution. Where an owners corporation does not meet the required voting threshold, the resolution is not passed.

It is noted that efforts have been made to reduce barriers to uptake of sustainable energy infrastructure. Section 23 of the Unit Management Act provides that the installation and approval of financing for sustainability infrastructure on common property can occur with only an ordinary resolution (requiring simple majority of votes to pass the resolution).

The gas transition will require owner's corporations to replace common gas assets with electricity assets. The potential of failed resolutions could present delays to timely transition. It may also lead owners corporations to continue using common gas assets past their intended lifetime, which could present safety risks.

It is noted that there is an ACT Government inquiry into the management of strata properties and application of the Unit Management Act underway.[57]

Residential Tenancies Act 1997

39. Rental tenancy laws do not require electrification of appliances as a minimum housing standard (economic and consumer protection)

One of the significant challenges that will need to be addressed throughout the gas transition is ensuring that renters, who typically have limited control around what type of appliances are used in the properties they live in, are adequately protected and are not left footing the bill of the gas network. The *Residential Tenancies Act 1997* (Rental Act) which is the law that governs rental properties in the ACT, prescribes minimum housing standards under section 19A, including those related to energy efficiency.

The current regulations mandate minimum ceiling insulation standards under Part 3 of the Residential Tenancies Regulation 1998. There are, however, no existing provisions requiring the use of all-electric appliances or the removal of gas infrastructure in rental properties. This regulatory gap means that landlords are not compelled to upgrade appliances or transition away from gas, even when doing so would align with government policy and improve tenant outcomes.

A key challenge arises from the fact that landlords typically do not pay energy bills and therefore have limited financial incentive to invest in electrification. This misalignment between cost responsibility and decision-making authority creates a significant barrier to progress. Tenants, who bear the cost of gas usage are often unable to initiate or enforce such changes.

Work Health and Safety Act 2011

No considerable barriers were identified in Work Health and Safety legislation that would prevent decommissioning. There is possibility that an employer's duties to provide a safe workplace may become an issue if effective data sharing between utilities or stakeholders in the gas sector is not achieved (e.g. where maps are not provided to workers conducting excavation and they 'dig blind').

57 ACT Government, 'Inquiry into the management of strata properties'.

Chapter 4

Recommended areas for legislative reform

Chapter 4: Recommended areas for legislative reform

Introduction

Chapter 4 marks the transition from analysis to action, presenting a structured set of legislative reform recommendations designed to enable the ACT Government's commitment to phasing out gas by 2045 and decommissioning the gas network. These recommendations respond directly to the regulatory barriers identified in earlier chapters and are tailored to support a safe, efficient, and equitable transition.

Recommendations are organised by the legislation they relate to, ensuring clarity in legal context and implementation pathways. Each recommendation includes:

- **Implementation priority and timeframe:** Categorised by effort (low, medium, high), impact (low, medium, high), and horizon (Horizon 1: 6–12 months, Horizon 2: 1–2 years, Horizon 3: 2–4 years).
- **Description:** A detailed explanation of the reform, including its purpose, scope, and expected outcomes.
- **Better practice design considerations:** Comparative insights from domestic and international case studies (e.g. Netherlands, France, Esperance) to inform design and mitigate risks.
- **Link to decommissioning framework features:** Each recommendation is mapped to one or more of the seven better practice features: lifecycle planning, economic and consumer protections, stakeholder consultation, safety and risk management, environmental management, activity stage-gate approvals, and ongoing regulatory oversight.

The prioritisation of reforms is based on a combination of:

- **Urgency and strategic importance:** Reforms that address foundational regulatory gaps (e.g. lack of decommissioning recognition in legislation) are prioritised early to enable subsequent actions.
- **Complexity and effort required:** High-effort reforms (e.g. introducing a new decommissioning licence) are sequenced over longer horizons to allow for stakeholder engagement, policy and legal drafting, and operational planning.
- **Impact on decommissioning outcomes:** Reforms with high potential to reduce systemic risks (e.g. stranded assets, consumer harm, regulatory ambiguity) are elevated in priority.

The report notes that while some reforms are ready for immediate action, others require detailed policy development and legal advice, public consultation, and coordination across ACT and Commonwealth agencies. A visual framework (set out below) categorises recommendations by priority, effort, impact, and horizon, aiding decision-makers in planning and sequencing.

Key themes emerging from the recommendations include:

- **Regulatory clarity:** Many reforms aim to explicitly recognise decommissioning in existing laws, codes, and standards to avoid ambiguity and ensure enforceability.
- **Consumer protection:** Adjustments to the National Energy Retail Law and Rules are proposed to safeguard consumers during disconnection and ensure equitable treatment.
- **Governance and oversight:** New licensing regimes and oversight mechanisms are recommended to ensure accountability and transparency throughout the decommissioning process.
- **Financial safeguards:** Proposals include the introduction of financial bonds to mitigate the risk of distributor insolvency and ensure continuity of service.
- **Cross-jurisdictional coordination:** Engagement with Commonwealth regulators is emphasised to address barriers arising from federal land and infrastructure laws.

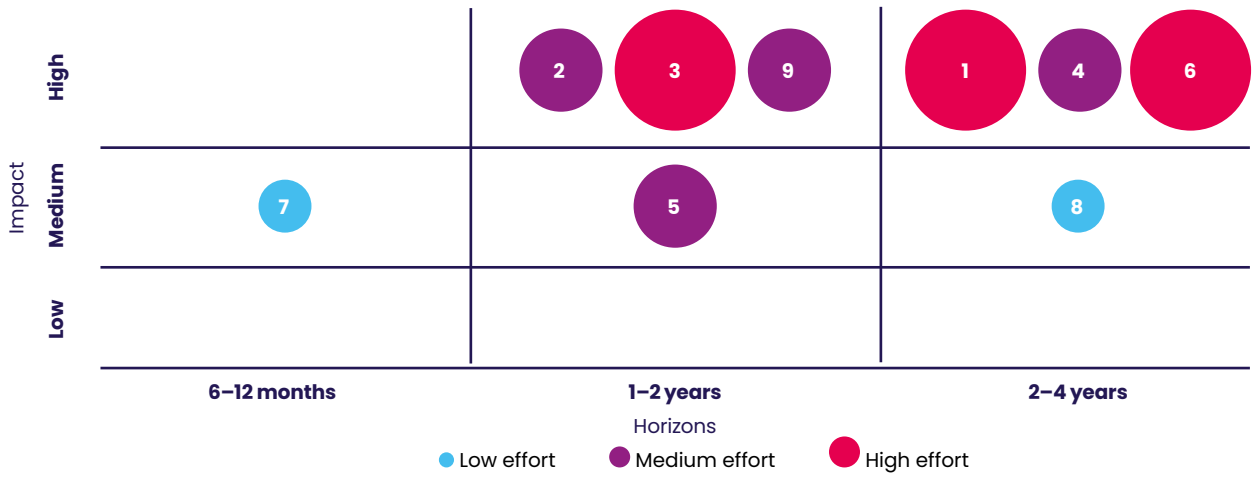


Figure 4: Recommendation Impact vs Effort vs Horizon

National Gas Law and National Gas Rules

Recommendation 1: Form policy positions on the listed regulatory barriers that are presented in the NGL and NGR and determine whether to derogate/ modify application.

Implementation priority and timeframe
Effort: Low | Medium | **High**
Impact: Low | Medium | **High**
Timeframe: Horizon 1 (6-12 months) | Horizon 2 (1-2 years) | **Horizon 3 (2-4 years)**

Description

Australia's national gas regulatory framework is likely to become decreasingly fit for purpose as the ACT pursues the decommissioning of its gas network by 2045. The fundamental economic regulatory principles that support the regulatory framework – cost recovery and profitability – will come under increasing scrutiny over the next 20 years. We are in the early stages of the ACT's transition, and other jurisdictions are looking to the steps that the ACT Government takes to achieve climate change outcomes while preserving energy security and affordability outcomes for Canberrans.

Raising issues about the existing regulatory framework at the Energy and Climate Change Ministerial Council and Energy Senior Officials Group could provide a beneficial 'canary in the mine' to prompt broader consideration of the pathway to decommissioning across participating jurisdictions, through modifications to the NGL and NGR, or through coordinated derogations across key jurisdictions (e.g. New South Wales).

There are two primary methods for effecting change to address the barriers that exist with the national frameworks. These are pushing for national changes to the rules and laws to ensure the national framework is fit for purpose and/ or amend the ACT's codification of the national frameworks.

It is also important to consider that there are various rule changes pending. It might be that the AEMC takes an approach to rule changes that have implications for decommissioning that is less conservative and more readily facilitates decommissioning by gas transmitters and distributors.

Option 1 – Rule change proposals

The ACT Government should prioritise developing policy positions on the following NGL and NGR provisions to assess their current and enduring suitability for the ACT's phased decommissioning approach:

- NGR – Rule 79 (Capex Criteria) – Rule change proposal GRC0083.
- NGR – Rule 89 (Depreciation) – Rule change proposal GRC0082.
- NGR – Gap (Planning Requirements) – Rule change proposal GRC0084.
- NGR – Gap (Permanent Abolishment Fees) – Rule change proposal GRC0085.

Depending on the ACT Government's decision as to whether the above rule changes address some of the barriers raised throughout this report, the ACT Government may have to consider to what extent rule changes are required to address barriers that exist within the national frameworks. These barriers include:

- **Barrier 1:** Distributors are provided with a reasonable opportunity to recover efficient costs incurred, this may be unsustainable (NGL 24(2)).
- **Barrier 2:** Increasing commercial risk within the gas market may provide grounds for distributors to increase reference tariffs (NGL s 24(5)).
- **Barrier 4:** Subject matter for NGR may need to be expanded to include decommissioning (NGL s 74).
- **Barrier 5:** Prescribed transparency information could be extended to decommissioning information (NGL s 136C)
- **Barrier 6:** New capital expenditure criteria (rule 79(1) NGR).
- **Barrier 7:** Depreciation criteria (rule 89 NGR).[58]

58 Note: Barrier 3 relates to the NGL and NGR, however it is not a rule-change related barrier and can be addressed by providing more detailed climate change-related information to the AEMC to take into consideration. This could include a detailed decommissioning schedule that the ACT Government requires the gas network distributor to implement to achieve full decommissioning by 2045.

Changes to best achieve the ACT's policy objective may be achieved through rule changes, however such rule changes would need to be framed to ensure the underlying economic regulatory principles are preserved but provide flexibility to support a gas network distributor operating in a diminishing market. The ACT Government should monitor this and be prepared to make additional modification, such as of the NGL and NGR to continue to support decommissioning.

Option 2 – Local legislative modification

Under the *National Gas (ACT) Act 2008*, the ACT can modify the application of the NGL and NGR within its jurisdiction. If existing or proposed rule changes are not supported, or impact the critical path for decommissioning by 2045, the ACT should be ready to implement law change to modify the application of the NGL and NGR.

The ACT is unique in several important ways that support a simpler transition. We are the only jurisdiction that has:

- a sole gas network distributor
- a gas network distributor that is also the sole electricity network provider
- an energy usage profile that is predominantly residential and commercial, with little industrial energy needs (current and anticipated)

As such, while the AEMC considers law and rule changes that work for all jurisdictions in the gas regulatory framework, the ACT has the opportunity to progress with modified application of these national laws to best suit the ACT's (beneficially) unique circumstances of a relatively simple transition. However, it is noted that this would require derogation of the national framework which may be contrary to the AEMA if not agreed by the MCE,[59] unless these derogations are permitted as policies relating to environmental and greenhouse issues.[60]

Such modifications of the national frameworks could include:

- Defining alternative or additional capex criteria for decommissioning. For example, ensuring new capex equitably provides benefit to both current and future consumers; ensuring new capex that is not related to ensuring network safety is very necessary for maintenance of the gas supply network; ensuring that new capex unrelated to safety provides the most cost-effective option for meeting the required objective of the capex.
- Adjusting depreciation to appropriately balance stranded asset risk and protecting consumers from astronomical costs.
- Empowering Evoenergy to pay a consumer of gas to transition to alternative energy and allow decommissioning, if it is more economically efficient than maintaining the relevant part of the network.

This is likely to better empower the ACT to support the gas network distributor to navigate the quirks of the ACT as well, including small but potentially burdensome complexity regarding land classification and overlapping regulatory oversight by ACT and Commonwealth regulatory bodies such as the ICRC, Utilities Technical Regulator, NCA, Airservices Australia and the Department of Defence.

Option 3 – Engaging for regulatory flexibility

The softer approach would be to work with the AER to explore flexible interpretations or transitional arrangements that accommodate decommissioning over a shorter economic and technical lifespan of infrastructure. This could include:

- Alternative depreciation schedules for Evoenergy
- Recognition of negative economic value in capital expenditure assessments

Additionally, it is important to note that, as discussed in **Barrier 3**, an opportunity that exists within section 72A of the NGL. Under this section, greenhouse targets set by each jurisdiction form part of the NGO. Section 23 notes that in making rules within the NGR, the AEMC must have regard to the greenhouse targets from each jurisdiction that form part of the NGO. Once the ACT has formed more detailed policy positions on a decommissioning timeline, these could be communicated to the AEMC under a section 72A direction. This would somewhat compel the AEMC to consider the ACT's targets when making rule changes, especially considering that the ACT is likely the most progressed jurisdiction in terms of decommissioning. This direction in combination with frequent consultation and communication with the AEMC and the AER could help to provide additional required clarity.

This is a critical part of the ACT's decommissioning journey. This isn't an immediate issue for Evoenergy, but the sooner law clarity can occur, the sooner the gas network distributor can assess the economic reality it faces over the decommissioning period. This will become an issue where decommissioning costs exceed revenue and holdings of the company and could lead to a fast decision to stop supplying gas in order to comply with obligations under the

59 MCE, Australia Energy Market Agreement, clause 6.6 – 6.8.
60 MCE, Australia Energy Market Agreement, clause 1.5(a).

Corporations Act. This would not be a phased, controlled decommissioning and would leave Canberrans without adequate access to energy.

This recommendation will need to work closely with **Recommendation 3** regarding the proposed decommissioning licence, to understand the phased approach to decommissioning in more detail and possibly hold in bond an amount of money that would ensure decommissioning could be completed if Evoenergy ceased operations.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓	✓	✓				✓

Better practice design considerations

Risks of recommendation

- The majority of European gas markets currently adopt an incentives-based regulatory approach to provide certainty around market pricing by promoting efficient network operations by limiting avenues for cost recovery where they do not reflect reasonable investment or operations. However, as the EU collectively moves towards integrated energy and decarbonisation strategies, gas system operators are faced with the significant stranded asset risks and regulators faced with the challenge of reforming its mechanisms and methodologies for managing investment, pricing and energy tariffs.
- Mapping of policy objectives along with regulatory dependencies is necessary to ensure that any proposed responses to the above regulatory barriers addresses the root cause and does not produce unintended consequences.

How best to manage implementation

- The approach from the Netherlands provides a strong example of implementing significant changes through a combination of accelerated depreciation and local authority powers. During the current regulatory period (2022–2026), distribution system operators are allowed to depreciate grid investments on a cost-reflective basis that accounts for a shrinking grid. This approach is designed to align costs with actual network usage, as the number of connections is expected to decline in the medium term. From January 1, 2022, the Dutch regulator ACM changed how gas network companies are paid. They now use a nominal WACC (Weighted Average Cost of Capital) system, which disregards inflation to better match revenue with how much the gas network is used. This helps to front-load the revenue earned by gas network companies with an expectation that assets will be depreciated sooner.
- Additionally, in February 2021, the ACM passed the Regulation on Gas Tariff Structures and Conditions (under the Dutch Gas Act) to permit gas distribution system operators including the costs for removing gas networks and connection points as part of the broader gas transport tariff. This adjustment in the tariff calculation methodology enabled operators to be partially compensated for the costs associated with decommissioning network assets. To prevent large and inefficient estimates being claimed, ACM specified the efficient costs methodology and stipulated a retrospective claims process in their market methodology instrument.[61]
- In another example, the Danish government established a decommissioning fund which aims to cover the costs associated with decommissioning gas supply infrastructure from homes, on the basis that all homes will switch to heat pumps or heat networks by 2030.[62]
- Similarly, Germany's gas and energy regulatory, Bundesnetzagentur issued the KANU 2.0 determination in 2025 which will provide gas network operators with the ability to bring forward its asset of life from 2045 to 2035 and in certain instances apply a depreciation rate of 12% to its regulatory asset base (RAB). This enables depreciation to be adjusted in line with the decrease in sales volumes. As a result, network operators can by and large recoup their investments and secure their economic performance for the transformation process.[63] Accelerated depreciation is also under consideration by France's energy regulator as Europe's third largest gas consumer prepares for a significant decrease in its gas consumption.[64]
- There are currently several approaches to energy market regulation, including the use of asset depreciation:

61 Autoriteit Consument & Markt (ACM) (2021): Methodebesluit regionale netbeheerders gas 2022-2026 (Method decision regional network operators gas 2022-2026, para 10.1.5). Available online at https://www.acm.nl/sites/default/files/documents/methodebesluit-regionaal-netbeheer-gas.pdf
62 Rosenow, Lowes & Kemfert, The elephant in the room: How do we regulate gas transportation infrastructure as gas demand declines?, 2024.
63 Bundesnetzagentur, Federal Republic of Germany, More flexible depreciation arrangements for gas networks, September 2024.
64 Commission de Regulation De L'Energie, French Republic, Deliberation of the French Energy Regulatory Commission of 20 January 2024 on the decision on the tariff for the use of the underground natural gas storage infrastructures of Storengy, Teréga and Géométhane, January 2024.

Table 6: Jurisdiction comparison National Energy Retail Law

	Netherlands	Germany	France	UK
Market Structure	State owned or local public ownership	Mainly private investors but some distribution system operators are publicly owner	Private and public ownership	Private ownership
Regulator	Authority for Consumer and Markets (ACM)	Bundesnetzagentur	Commission de régulation de l'énergie (CRE)	Office of Gas and Electricity Markets(Ofgem)
Period The duration the regulatory rules will apply	3–5 years (2022–26)	5 years (2023–27)	4 years (2024–28)	5 years (2021–26)
Depreciation Method	Accelerated depreciation. Determined by the variable decline balance method. The acceleration factor is 1.2–1.3	From 2025 accelerated depreciation to meet 2035 target and allow depreciation at a rate of up to 12%.	Straight line with ratio between 2–4% for network assets such as lines, pipes.	Sum-of-the-Years-Digits (SYD) is a form of accelerated depreciation where a larger portion of an assets cost can be attributed up front.
What assets can be depreciated Otherwise referred to as Regulatory Asset Base (RAB)	Includes: • Fixed assets • Historical costs can be indexed • Adjustments permitted for expansions	Includes: • Fixed assets, working capital assets under construction (AUC) • Net substance preservation for assets pre-2006 and real preservation for assets post 2006 • Adjustments permitted for investments after base year or where non-controllable costs impact revenue cap	Includes: • Fixed assets • Historical revalued costs with inflation and depreciation • Value of subsidies and grants removed from value of assets	Includes: • Historical investment base and capitalised TOTEX • Adjusted for Consumer Price Index and allowed additions for case proceeds
Asset Life Expectancy	35–55 years	KANU 2.0 brings forward the previous 2045 deadline (EU NetZero target) and is now supporting end of life 2035	Not specified by CRF (French regulator) and instead adopts European industry standards for pipelines approx 30–60 years	45 years

National Energy Retail Law

Recommendation 2: Provide for decommissioning throughout the NERL and NERR

Implementation priority and timeframe
Effort: Low | **Medium** | High
Impact: Low | Medium | **High**
Timeframe: Horizon 1 (6-12 months) | **Horizon 2 (1-2 years)** | Horizon 3 (2-4 years)

Description

The National Energy Customer Framework (which consists of the NERL and the NERR) operates to protect consumers who engage with the gas and electricity markets. Whilst currently the framework generally operates effectively to protect consumers, as gas demand moves from an increasing market to a diminishing market, various amendments to the NERL and the NERR are required to continue protecting consumers in light of this systemic shift.

The recommended amendments to the NERL and the NERR are set out below in response to the various barriers identified throughout. However, generally, amendments to the NERL and the NERR, similar to the NGL and NGR, need to reflect the transition to a declining use of, and subsequent decommissioning of the gas network. This will allow consumer protections to continue throughout the transition.

Decommissioning considerations

In the context of planning for gas decommissioning, four primary barriers have been identified:

- **Barrier 27:** Highlights the need for clarification regarding distributor and retailer obligations under customer contracts. Specifically, it must be confirmed that gas network decommissioning does not constitute a breach of contract under section 27 of the NERL.
- **Barrier 31:** Points to existing consumer protections that currently prevent disconnection for the purpose of decommissioning, as outlined in rules 111 to 119 of the NERR.
- **Barrier 33:** Identifies the absence of defined thresholds for area-wide disconnection and the lack of authority to provide financial incentives to customers to facilitate their transition.
- **Barrier 30:** Lack of ability in NERL section 237 to make rules under the NERR related to decommissioning

To address these barriers, it is recommended that section 27 of the NERL be amended, or a new section 27A be inserted, to explicitly state that disconnection for the purpose of planned network decommissioning does not constitute a breach of contract. This amendment should also clarify that no legal action may be taken against distributors or retailers in such circumstances.

Additionally, rules 111 to 119 of the NERR should be revised to permit disconnection for decommissioning purposes. This change would empower the ACT Government to direct distributors to plan and carry out decommissioning of specific areas of the gas network. Finally, a clear threshold for disconnection and/or compulsory transition should be established and incorporated into the NERR to guide decision-making and ensure consistency.

Lastly, to ensure that rules related to decommissioning can duly be made within the NERR, section 237 of the NERL, which provides the power to make rules in the NERR, may need to be amended to specifically allow this. This could be achieved through the insertion of a section 237(1A) which would explicitly allow rules to be made in the NERR for consumer protections that relate to decommissioning and the need for decommissioning to be equitable.

Disconnection considerations

Further considerations in the disconnection process reveal two additional barriers:

- **Barrier 26** concerns the definition of 'Distributor' and 'Retailer' in section 16(c)(ii) of the NERL, which currently pertains only to the supply of gas and does not explicitly include activities related to disconnection, dismantling, or removal.
- **Barrier 29** relates to the potential breakdown of the RoLR framework during the later stages of gas network decommissioning, as outlined in Part 6 of the NERL.

To assist in resolving barrier 26, the creation of a decommissioning licence would inherently address the issue, as such a licence would encompass the necessary activities without requiring further amendment to the NERL.

Regarding barrier 29, it may be helpful to amend Part 6 of the NERL to formally designate the ACT Government as the RoLR when required. Although this intervention is likely to occur regardless, codifying it within the legislation would provide clarity and assurance, even if the matter is not immediately urgent.

Communication considerations

Effective communication is critical during the transition away from gas, yet two key barriers have been identified:

- **Barrier 32** notes the absence of any requirement for utilities to inform consumers about the support available for decommissioning activities under the NERR.
- **Barrier 28** highlights that the Energy Marketing Rules, as set out in section 53 of the NERL, do not currently mandate the provision of information about cessation of gas supply services and network decommissioning to prospective customers.

To remedy these issues, the Energy Marketing Rules (set out in part 2 division 10 of the NERR) should be amended to require retailers to provide prospective customers with information regarding cessation of gas supply services and network decommissioning. This should include estimated timelines for decommissioning, details of available rebates and incentives, and any other relevant support measures. Such amendments would ensure that consumers are well-informed and able to make decisions with full awareness of the implications and available assistance.

Better practice design considerations

Risks of recommendation

- Legislative reforms that enable distributor/retailer planning (i.e. information sharing) need to balance regulatory flexibility with the need to standardise decommissioning planning and consultation initiatives. If planning activities are not mandatory there is a risk that industry planning and preparedness will be fragmented.

How best to manage implementation

- Establish a planning and consultation mechanism. NexStep, a joint venture of Dutch state-owned energy company EBN and the oil and gas industry which was established when developing the inaugural Netherlands Masterplan for decommissioning and re-use.[65] The Plan and national consultation platform, NexStep has been essential to developing and agreeing strategic priorities and objectives. The plan leveraged industry expertise and aims to align and standardise industry actions (for decommissioning) with the Dutch Government's decarbonisation objectives. See **Annex A** for further information.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓	✓	✓				✓

65 EBN, Netherlands Masterplan for decommissioning and re-use, 2016.

Utilities Act 2000

Recommendation 3: Introduce a new form of licence under the Utilities Act 2000 to clarify regulatory oversight of decommissioning of utility infrastructure.

Implementation priority and timeframe
Effort: Low | Medium | **High**
Impact: Low | Medium | **High**
Timeframe: Horizon 1 (6-12 months) | **Horizon 2 (1-2 years)** | Horizon 3 (2-4 years)

Description

Under the current ACT framework, an entity must hold a utility service licence to provide utility services (Utilities Act), and those utility services must be delivered safely and reliably (Utilities (Technical Regulation) Act). This framework does not adequately account for decommissioning activities, from a consumer protection nor technical standpoint. There is an opportunity to develop a bespoke licence category under the Utilities Act to support the efficient, safe and equitable decommissioning of gas network infrastructure assets.

Decommissioning license

We recommend the ACT Government develop policy requirements for this decommissioning licence that includes:

- **Defining regulated activities** to be captured under this new licence category (decommissioning, dismantling, abolishment, removal, excavation, permanent wadding, etc.).
- **Creating offence provisions** prohibiting undertaking these activities unless licensed (similarly to the gas utility services/licensing provisions).
- **Determining suitable entities** capable of holding this licence, including whether it is an application requirement that you hold a utility service licence for the specific utility seeking to be decommissioned (therefore rendering Evoenergy as the only entity capable of holding it).
- **Determining application requirements**, including public consultation requirements, substantive decommissioning planning forecasting, cost breakdown of decommissioning activities over time, workforce and safety planning, etc. which will underpin licence conditions and performance of obligations.
- **Licence grant criteria**, including circumstances in which an application can be modified during assessment, and criteria that underpin a reason to grant or reject an application, as well as internal/independent merit review.
- **Regulatory obligations** including cross-entity data-sharing with gas network stakeholders (such as a distributor, retailer, customer, ACT Government, etc.), and cross-utility data-sharing with impacted utility stakeholders (such as electricity).
- **Regulatory oversight powers** in addition to those currently held by the ICRC and the Technical Regulator.

This recommendation requires considerable regulatory impact analysis, including detailed quantitative data provided by the gas network distributor to understand the impact of this licence type on their operations, and public consultation on proposed legislative amendment.

Whilst we anticipate that a new license category would be the most effective way to impose decommissioning obligations on distributors (to ensure that planned and responsible decommissioning is conducted), it will be a matter for the ACT Government to consider once further regulatory, policy and legal drafting advice is obtained.

An alternative option of expanding the definition of 'utility service' to include decommissioning activities was explored as an alternative to a decommissioning license.[66] However, typically, expanding existing definitions within legislation can present regulatory risks, due to some definitions being adopted in multiple pieces of legislation and subordinate instruments. The definition of a 'utility service' is not only used throughout the Utilities Act but is also imported into the Utilities (Technical Regulation) Act, as well as various subordinate regulations and codes. The impacts of expanding this definition are untested and the ACT Government would have to engage in regulatory impact analysis to understand the impacts of expanding this definition.

66 To broaden the operation of section 21 of the Utilities Act.

As another alternative that was explored, expanding the current license arrangements to include decommissioning could similarly have unintended consequences, would provide reduced flexibility compared a new license category, and would require additional derogation or would at least deharmonise the ACT from the NGR.[67] For these reasons, we anticipate that a new standalone license category is the most straightforward course of action.

A new license may help to reduce risk and increase flexibility. For example, whilst existing distributors would be compelled to apply for and hold a decommissioning license (potentially through the inclusion of a condition to existing distribution licenses) a decommissioning license could also be granted to third parties to assist in conducting decommissioning activities. This could be particularly beneficial towards the end of the gas transition. In practice, this would mean that all distributors must hold decommissioning licensees, but not all decommissioning licensees must be distributors. Additionally, a new decommissioning license could be coupled with a decommissioning code, therefore increasing the flexibility to modify license conditions for decommissioning licensees only.

Industry decommissioning code

To support the inclusion of a new decommissioning licence, a new industry code should be developed and introduced which sets out specific provisions related to how decommissioning is to occur in the ACT. Whilst this would be developed alongside the licence and would provide licence holders with clear obligations, it would also serve to streamline the legislative amendment process. Rather than modifying various legislative instruments across the current regulatory landscape an industry decommissioning code would help to consolidate obligations and rules that relate to decommissioning in one place.

To enable this to occur, there may need to be a new subsection inserted into section 55 of the Utilities Act (**Barrier 9**). This could in practice be a new section 55(1A) or the insertion of a new section 55(2)(l). This would set out how industry decommissioning codes could be made. Once this has been inserted, a new industry code could be established and would apply to only decommissioning licence holders. This industry code could, for example, provide clarity on:

- How decommissioning is planned to occur in the ACT
- The objects of decommissioning
- Principles associated with decommissioning (e.g. safety, efficiency, equity, transparency, etc.)
- What the role of decommissioning licence holders is.
- Inter-utility communication obligations
- How and when customers must be notified that their gas supply will be disconnected
- When distributors are obligated to cease providing gas to a connected area of the network

This industry code could be developed in collaboration with the Utilities Technical Regulator to ensure the technical specifics of the code meet the required standard. Whilst a tandem technical code could be separately developed and implemented by the Utilities Technical Regulator, having both an industry code and a technical code could likely cause confusion and duplication, increasing the regulatory burden on regulated entities.

This recommendation addresses the following identified barriers, either by directly mitigating the risks associated with them, or by providing a 'tool' to make the required changes from other laws to ensure decommissioning is undertaken safely:

- **Barrier 8:** Decommissioning is not recognised as a 'utility service' under the Utilities Act.
- **Barrier 9:** Power to make industry codes does not explicitly refer to dismantling or decommissioning.
- **Barrier 10:** No legislative authority for distributors to enter land to conduct decommissioning activities without express permission.
- **Barrier 13:** No offence provision for unauthorised disconnection from the network.
- **Barrier 19:** No obligation on distributors to ensure that network decommissioning is conducted in a safe and efficient manner.
- **Barrier 20:** Requirements for ad hoc reports do not include decommissioning activities (ongoing regulatory oversight).
- **Barrier 21:** While there is an obligation to communicate when operations could affect another utility, this obligation does not extend to decommissioning activities (s 4(1), 4.1(1)) (stakeholder consultation and ongoing engagement).
- **Barrier 24:** No mechanism for the ACT Government to obligate utilities to stop providing utility services
- **Barrier 25:** There is no adequate requirement for distributors to communicate to customers when disconnection and decommissioning activities may impact their service.
- **Barrier 26:** Definition of 'Retailers' and 'Distributors' limited to when gas is being supplied.
- **Barrier 32:** No requirement for utilities to communicate support available for decommissioning activities.

67 For example, to expand the existing license category of a 'gas connection service' would require either: (1) derogating the ACT codification of the NGR to modify the definition of 'gas connection service' within rule 119A of the NGR to include gas decommissioning services would expand the definition under the Utilities Act (see Dictionary: 'gas connection service'), consequently expanding the definition of 'gas connection services' adopted within licenses, or alternatively, (2) would require modifying the definition of 'gas connection service' within the Utilities Act, reducing harmonisation between the ACT's legislation and the national framework.

Oversight of decommissioning licence holders

To ensure that licence holders of a decommissioning licence bear the same scrutiny as other utility license holders, the ICRC's legislative purpose will require amendment to enable them to adequately regulate these entities. This is discussed in barrier 11.

To achieve this, section 3 of the Utilities Act should be amended by insertion of a section 3(j) which would state that another purpose of the ICRC is to ensure that decommissioning of utilities networks is achieved in a safe, efficient, equitable and transparent manner. This would ensure that decommissioning has appropriate oversight and control, and would enable the ICRC to approve an industry decommissioning code if drafted by an industry entity (i.e. the distributor)

Please note: This recommendation has been developed in the context of the gas utility. It is intended to be read as a gas decommissioning licence, rather than a broader utility decommissioning licence. Additional work upfront to understand nuances that apply to other utilities could enable a utility decommissioning licence, however the priority is to develop a gas utility decommissioning licence.

Better practice design considerations

Risks of recommendation

Administering a utility decommissioning licence presents several challenges, including:

- Regulatory framework and processes must include clearly defined roles and responsibilities for technical regulators and the ICRC to ensure that the regulatory regime is accountable and efficient.
- Regulatory policy and administrative arrangements must be supported by clear co-ordination protocols for policy owners and regulators to prevent fragmented administration of the licencing regime
- Resourcing across the full lifecycle should be supported by integrated planning by both policy and regulatory stakeholders. For example, France's Nuclear Safety Regulator had to undergo internal restructures to address the increased volume and complexity of decommissioning activities – the restructure resulted in a dedicated co-ordination team responsible for prioritising workflows and scheduling expert and technical assessments.[68]
- Utility license holders may seek to avoid decommissioning obligations through entity restructuring and/or sale of assets – decommissioning license rules will need to consider transfers between entities and include triggers for reviewing and confirming new recipient meets relevant financial assurance requirements.
- Distributor may not apply for (or may not be approved for) a decommissioning license. This could potentially be rectified with a license condition within the distributor license that all gas distributors (which is currently only Evoenergy) must hold decommissioning licenses. Specific legal advice should be sought to address potential changes to distributor licence conditions (i.e. adding explicit decommissioning obligations) and the potential retrospectivity of such changes.

How best to manage implementation

Early communication and collaboration with the ICRC and Technical Regulator. Extensive public consultation is also recommended, including a two-phase approach to circulating regulatory options:

- Regulatory options paper setting out the barriers that the current licensing framework presents and the options the ACT Government are exploring, seeking comments from interested people about relevant considerations and inclusions.
- Exposure draft law consultation to ensure designed solutions do not have unintended consequences.

This recommendation has been developed in the context of the gas utility. It is intended to be read as a gas decommissioning licence, rather than a broader utility decommissioning licence. Additional work upfront to understand nuances that apply to other utilities could enable a utility decommissioning licence, however the priority is to develop a gas utility decommissioning licence.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓	✓	✓	✓	✓	✓	✓

68 Sfen (in English), Nuclear Safety: ASNR, the merger of ASN and IRSN, begins operations, January 2025.

Recommendation 4: Consider introducing a bond to ensure the financial risk of the gas network distributor ceasing to provide gas supply to consumers does not fall on rate payers.

Implementation priority and timeframe
Effort: Low | **Medium** | High
Impact: Low | Medium | **High**
Timeframe: Horizon 1 (6-12 months) | Horizon 2 (1-2 years) | **Horizon 3 (2-4 years)**

Description

Financials bonds are often used in complex and costly infrastructure decommissioning contexts to ensure the orderly and accountable decommissioning of infrastructure.

We recommend the ACT explore developing a policy position on whether a financial bond should be imposed as a condition on either a utility service licence or incorporated into the recommended decommissioning licence category. The bond would act as a financial guarantee that the gas distributor will meet its decommissioning obligations, even in the event of financial distress or insolvency. It ensures that public safety, environmental standards and infrastructure removal are not compromised through the inevitable period where financial distress will occur at some stage (currently unknown).

The following design features would likely be required when forming a policy position on a decommissioning bond:

- **Who provides it:** It is likely most appropriate that the gas utility provider, or entity granted a decommissioning licence be required to lodge the bond as a condition on an operating certificate or licence.
- **Who holds it:** It is unclear whether the ICRC or Technical Regulator is capable of holding the bond on trust, otherwise a designated government trustee would need to be determined.
- **Bond value:** Indicia would need to be determined upon which a bond would be calculated, including estimated cost of full network decommissioning (based on minimum viable decommissioning), risk of stranded assets, inflation and contingency factors.
- **Bond review period:** How often the bond would need to be reviewed to reflect updated cost forecasts.

It is important to note that the financial bond amount should reflect the circumstances of decommissioning gas network infrastructure in the ACT. Relying on equations and amounts set for decommissioning bonds in mining and offshore gas, for example, reflect significantly different operational, safety and risk profiles (e.g. pollution, compliance with international law, interaction with environmental protection laws, etc.).

An additional financing measures should be considered by the ACT Government, whereby based on decommissioning planning documentation provided by the distributor, an amount could be set aside by the ACT Government to manage time-sensitive gas customer transitions (e.g. last five years of supply, where economic barriers prevent electrification). This could be provided to the distributor to facilitate efficient decommissioning planning (e.g. district-based shutdowns) or directly to the consumer.

This recommendation addresses the following identified barriers:

- **Barrier 1:** Distributors are provided with a reasonable opportunity to recover efficient costs incurred, which may be unsustainable. The bond provides a financial safeguard to ensure decommissioning obligations are met even if cost recovery becomes unviable in a diminishing market.
- **Barrier 2:** Increasing commercial risk within the gas market may provide grounds for distributors to increase reference tariffs. By securing funds upfront, the bond helps buffer against tariff shocks caused by rising commercial risk and asset stranding.
- **Barrier 7:** Depreciation criteria under rule 89 of the NGR may not align with the ACT's 2045 net-zero target. The bond complements accelerated depreciation strategies by ensuring financial coverage for decommissioning even if assets are retired early.
- **Barrier 29:** ROLR framework may become impossible to administer in later stages of decommissioning. The bond could serve as a financial backstop if the distributor or retailer exits the market, ensuring continuity of service or orderly shutdown

Better practice design considerations

There is no clear 'coefficient' or equation that can be used to determine the appropriate amount required for a financial bond of this kind. Other jurisdictions impose the following types of requirements that may be useful to guide development of a government policy position:

- **Renewal energy infrastructure (e.g. wind turbines):** In 2023, the Australian Energy Infrastructure Commissioner (AEIC) published guidelines for the drafting of commercial agreements between landholders and renewal energy companies to ensure that decommissioning obligations were clearly negotiated and addressed at the outset. The Guidelines also recommend that arrangements to ensure decommissioning funding is set aside and secured via bank guarantees, bonds or trust is specified in the agreement.[69] AEIC guidance also highlights decommissioning plans for wind turbines have included costs of about $400,000 per turbine and could increase up to $600,000 for larger turbines and/or if asset failure arises – these figures are typically far greater than the actual income derived from the commercial arrangement for the life of the asset.[70]
- **Financial Securities for offshore oil and gas:**
    - Australia: Under s571(2) of the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act), titleholders are required to maintain sufficient financial assurance to meet the costs, expenses and liabilities of carrying out offshore oil and gas activities, including the decommissioning of these assets. Titleholders must demonstrate additional financial assurance when preparing an environmental plan (for decommissioning). NOPSEMA will request an independent validation of all methods for estimating financial assurance levels to ensure that titleholders hold satisfactory assurance.[71]
    - United States: the Bureau of Ocean Energy Management is responsible for developing and maintaining the risk management and financial assurance for lease and grant obligations (financial assurance requirements) for offshore oil and gas operators. The rules ensures that operators maintain bonding levels necessary to cover the cost of potential decommissioning activities (and other obligations under the Outer Continental Shelf Lands Act. The Rule requires operators to maintain $500,000 USD of base financial assurance and where an operator is unable to maintain an investment grade credit rating or proxy credit rating equivalent they will be required to supplemental financial assurance (proved financial reserves) to cover decommissioning.[72]

Please note: This recommendation has been developed in the context of the gas utility.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓	✓	✓	✓	✓	✓	✓

69 Australian Energy Infrastructure Commissioner (AEIC), Considerations for Landholders before entering into Commercial Agreements, January 2023.
70 AEIC, Commissioner's Observations and Recommendations, Host Landowner Matters, 2022.
71 NOPSEMA, Financial Assurance for petroleum titles, 2024.
72 United States National Archives, Federal Register, Risk Management and Financial Assurance for OCS Lease and Grant Obligations, 24 April 2024.

Utilities (Technical Regulations) Act 2014

Recommendation 5: Amend the Utilities (Technical Regulations) Act 2014 to refer to decommissioning in key sections.

Implementation priority and timeframe
Effort: Low | **Medium** | High
Impact: Low | **Medium** | High
Timeframe: Horizon 1 (6-12 months) | **Horizon 2 (1-2 years)** | Horizon 3 (2-4 years)

Description

The Utilities (Technical Regulation) Act currently contains a range of provisions designed to ensure that utility services are delivered safely, reliably, and effectively over the long term. However, as the decommissioning of gas infrastructure becomes more common, it is increasingly clear that the Act's general provisions for utilities do not adequately address the specific requirements of gas supply and decommissioning.

To address this, relatively minor legislative amendments to the Utilities (Technical Regulation) Act would help ensure that both the Act and its subordinate technical codes remain effective and relevant as gas demand continues to decline. These amendments include:

- Inserting a new object in section 6—specifically, section 6(e)—to explicitly reference the safe decommissioning of regulated utility services (addressing **Barrier 15**).
- Introducing a new technical code-making power under section 11(h) to enable the development of a decommissioning-specific technical code (also addressing **Barrier 17**).
- Expanding section 37(1)(a) to refer not only to unauthorised connections but also to unauthorised disconnections (addressing **Barrier 13**).

These changes will help ensure that consumer safety remains a priority throughout the transition process. Including safe decommissioning as an object of the Act will provide a clear basis for statutory interpretation and help frame the legislation in the context of the ACT's shift toward decommissioning. This will offer greater clarity and direction for regulators and utilities alike.

Amending the objects of the Act is also important because future technical codes must align with these objects. Furthermore, new codes must be consistent with a power listed under section 11(1), making it essential to include a specific power to support the creation of codes that promote safe, efficient, and equitable decommissioning. Finally, it is recommended that section 37(1)(a) be expanded to explicitly capture authorised disconnections, ensuring comprehensive regulatory coverage of all relevant disconnection scenarios.

In addition to amending existing provisions to refer to decommissioning, to address **Barrier 14** (which refers to the absence of any requirement to plan for decommissioning), slightly deeper amendment of the Act to impose planning obligations upon utilities may be required. The ACT gas distributor will play one of the most significant roles throughout this transition, therefore, placing positive planning obligations upon this distributor will compel the distributor to plan for decommissioning, which will likely help to yield a better result. This could either be achieved through amendment of the Utilities (Technical Regulation) Act, or potentially through imposing this obligation within an industry decommissioning code (as discussed above).

Better practice design considerations

Risks of recommendation

- Clear legislative mapping and/or stocktake of affected legislation will be essential to identifying, developing and implementing consistent provisions for the management of decommissioning activities.
- While the technical code-making powers will provide greater guidance for the planning and delivery of decommissioning activities, the ACT Government will need to carefully manage potential regulatory capture from the distributors and retailers whose commercial interests may conflict with broader policy objectives.

How best to manage implementation

- Planning for and undertaking stakeholder consultation when developing the legislative reform package will be critical to identifying practical impacts and/or limitations especially in relation to the code-making power. Providing clear guardrails for how these powers may be exercised will be essential to fostering effective partnerships with industry and the community.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓			✓		✓	✓

Recommendation 6: Enable gas distributor to forcefully remove a consumer from the gas network.

Implementation priority and timeframe
Effort: Low | Medium | **High**
Impact: Low | Medium | **High**
Timeframe: Horizon 1 (6-12 months) | Horizon 2 (1-2 years) | **Horizon 3 (2-4 years)**

Description

It is very likely that the gas network distributor will face resistant customers that do not want to electrify. This will pose a considerable risk to achieving decommissioning by 2045.

As such, it is recommended the ACT Government form a policy position on whether to "push" gas consumers off the network. Suitable legislative bases to implement such a position include:

- **Utilities (Technical Regulation) Act:** This Act could be amended to empower the Technical Regulator to issue directives for mandatory disconnection. This Act could also be amended to define conditions under which a distributor may abolish a connection (e.g. safety, network rationalisation) and mandatory consultation and notification periods.
- **Climate Change Act:** This Act could be extended to include provisions for mandatory disconnection of existing connections as part of the ACT's electrification pathway.
- **Utilities Act:** This Act could be amended to allow for forced disconnection under defined circumstances (e.g. end-of-life infrastructure).

It is critical that the ACT Government Solicitor be engaged to ensure the appropriate head of power exists to make such a change, whether it would impinge on any rights, and the most appropriate legislative vehicle for this change.

Whichever Act is amended, the following policy considerations must be addressed:

- **Trigger for decision:** Whether to limit the power by requiring the network distributor to apply to the decision-maker to make a decision regarding a mandatory disconnection.
- **Decision-making indicia:** Whether the decision-maker must be satisfied that appropriate consultation has taken plan, or that the circumstances of the mandatory disconnection are "reasonable" and define why, appropriate transition support, and reasons for a decision and avenues for review by affected community members.
- **Regulatory oversight:** How the decision-maker ensures the distributor complies with the mandatory disconnection requirements.

This recommendation addresses the following barriers:

- **Barrier 27:** Clarification of distributor/retailer obligations under customer contracts is required to confirm decommissioning is not a breach of contract. Forced disconnection powers would need to be legally reconciled with existing contract obligations to avoid civil penalties.
- **Barrier 33:** No thresholds for when an area can be disconnected, and no authority to pay customers to transition. This recommendation directly tackles the lack of authority to disconnect remaining consumers who may prevent efficient area-wide shutdowns.

Better practice design considerations

- The Netherlands decommissions gas networks at the district level, converting whole areas to gas-free areas.[73] This approach ensures cost-effectiveness and facilitates a smoother transition to alternatives by avoiding the maintenance of low-density connections. It also prevents consumers with a very low connection density from remaining connected to the gas network being exposed to high fees. The process for designating gas-free areas occurs through local municipal planning which provides a longer-term road map for planning and development in the region. Consumers are given an 8-year notice period before the mandatory disconnection of gas in these designated areas.[74]
- National Broadband Network (NBN): The retirement of the existing copper network and transition to the NBN. To support the disconnection of existing network (i.e. ADSL internet services), customers were generally provided with 18 months' notice once their area was declared 'ready for service' by the NBN. After this 18-month period, customers were disconnected from the legacy services. While notice was required, the Telecommunications Industry Ombudsman (TIO) received a significant number of complaints regarding NBN's failure to provide notice of disconnection and/or disconnecting services on the wrong date. Issues surrounding notice to consumers also persisted during the implementation with the NBN accused of failing to notify customers of delays to services establishment or lengthy service interruptions.[75]

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓	✓	✓	✓			✓

73 CE Delft, The natural gas phase-out in the Netherlands, February 2022, page 21.
74 Rosenow, Stobbe & Braungardt, Gas grid regulation in the context of net zero transitions: A review of seven European countries, 2025, paragraph 3.4.1.
75 Australian Government, Australian Government Response to the Joint Standing Committee on the National Broadband Network report: The rollout of the National Broadband Network: 1st Report of the 45th Parliament, January 2018, pages 40-45.

Gas Safety and Installation Code

Recommendation 7: Amend GS & I Code to create a 'no wrong door' policy

Implementation priority and timeframe
Effort: Low | Medium | High
Impact: Low | **Medium** | High
Timeframe: Horizon 1 (6-12 months) | Horizon 2 (1-2 years) | Horizon 3 (2-4 years)

Description

As discussed above within **barrier 18**, clause 2.13.2 of Evoenergy's GS & I Rules (made under the GS & I Code) states that customers cannot apply to the distributor for temporary disconnection unless in unusual circumstances. This creates unnecessary red tape in having the customer be referred back to their retailer, for the retailer to then lodge a similar request with the distributor.

To rectify this, the GS & I Code should include a section prohibiting GS & I rules from placing unnecessary burdensome requirements on customers, such as those made under 2.13.2.

Additionally, an obligation should be placed upon distributors to develop a process for (1) accepting request for disconnection that come directly from customers and (2) communicating these requests to retailers to trigger their disconnection process. These obligations could be affected through either the GS & I Code, or potentially through a new industry decommissioning code, as discussed earlier.

The customer should not be penalised for proactively reaching out to the distributor, even if this is the 'wrong' entity. Instead, the rules should compel stakeholders to develop policies and procedures that streamline the process from the customer's perspective.

Better practice design considerations

Consolidating obligations and requirements related to decommissioning within a single decommissioning code should help to reduce the regulatory burden placed upon regulated entities (such as distributors and retailers).

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
		✓				✓

Climate Change and Greenhouse Gas Reduction Act 2010

Recommendation 8: Consider extending bans in the Climate Change and Greenhouse Gas Reduction Act 2010 to prevent reconnection after a defined period and in zero consumption households, and ban sale of gas appliances.

Implementation priority and timeframe
Effort: Low | Medium | High
Impact: Low | **Medium** | High
Timeframe: Horizon 1 (6-12 months) | Horizon 2 (1-2 years) | **Horizon 3 (2-4 years)**

Description

The Climate Change and Greenhouse Gas Reduction Act 2010 (Climate Change Act) and its associated regulations offer a strong example of how the ACT can effectively derogate from the national gas framework to advance its net-zero emissions targets. The ACT Government has clearly communicated its decarbonisation policy position to residents, and the ban on new gas connections has created a legislative foundation that enables further reforms to support climate change initiatives. The Act now has the capacity to operate as a fit-for-purpose vehicle that can bring other reforms through legislative amendment, and additional regulations.

One emerging initiative is the potential for the ACT Government to prohibit the installation of new gas appliances and to introduce additional incentives and support mechanisms to facilitate the transition to electricity. A relevant precedent can be found in Western Australia, where the Government provided financial assistance for like-for-like electric appliance replacements during the gas transition in Esperance (see Annex A: Decommissioning Case Studies). In another example, the Victorian Government has recently introduced a suite of reforms which, from March 2027, require most gas appliances to be replaced by electric appliances at the end of their life.[76] Appliance bans such as these which integrate with the natural life cycle of appliances or other natural points such as within the rental cycle, provide a powerful opportunity to prevent the further purchase or installation of gas appliances in a manner that is as undisruptive as possible.

While the ACT's derogation from the NGL has successfully banned new gas connections, there may remain specific scenarios where premises that have been temporarily disconnected may still be eligible for reconnection under the current legal framework. It is recommended that this matter be considered further to prevent reconnections of gas that could delay the phased decommissioning of gas infrastructure.[77]

Furthermore, the ACT Government may wish to consider implementing 'one way' mechanisms that are triggered upon meeting certain thresholds. These would ensure that, for example, once a household has transitioned to all-electric appliances (e.g. is a zero-consumption premises) and following a notice and cooling-off period (e.g. three months), the premises would no longer be eligible for gas reconnection and would be recorded on a register. Such a measure could accelerate the transition away from gas while still allowing households reasonable flexibility during the initial switch to electricity.

This recommendation addresses the following barriers:

- **Barrier 27:** Clarification of distributor/retailer obligations under customer contracts is required to confirm decommissioning is not a breach of contract. By formalising reconnection bans and appliance restrictions, this recommendation helps clarify the legal basis for disconnection and supports contract reform.
- **Barrier 23:** No ban on installing and selling gas appliances in the ACT. The proposed appliance ban addresses this gap, reducing future gas demand and aligning consumer behaviour with the ACT's electrification goals.
- **Barrier 22:** Consumers have ability to reconnect to gas network where they have temporarily disconnected or are zero-consumption households. This recommendation directly closes the legislative loophole that allows reconnection after temporary disconnection, which risks undermining the ACT's emissions targets and delaying decommissioning.

76 Victorian Government, New electrification and efficiency standards and regulations for Victorian buildings, 27 June 2025.
77 See Climate Change Act section 13A(1): notes that distributors must not provide 'new gas connections'. 'New gas connections' is defined in section 13A(4) as not including an alteration of an existing connection that does not provide a new point of supply (see subsection (b)(ii)), therefore potentially allowing residents with a temporarily disconnected gas supply to have this legally reconnected. It is noted that whilst this section may have been drafted this way to allow for renovated premises' to relocate their gas supply or otherwise provide flexibility, one option to resolve this loop hole may be to provide clarity that temporary disconnection of a premises from gas (e.g. wadding) is included as a 'permanently removed' for the purposes of subsection (a)(iii) in the definition of 'new gas connection' within section 13A.

- **Barrier 31:** Consumer protections prevent disconnection of gas connection for decommissioning purposes: By establishing a "one-way" transition mechanism and clarifying reconnection rules, this recommendation supports lawful disconnection for decommissioning.
- **Barrier 32:** No requirement for utilities to communicate support available for decommissioning activities. The recommendation includes provisions for consumer communication and support, helping ensure vulnerable households are informed and protected during the transition.

Better practice design considerations

- **Legislative clarity and targeted amendments:** Amend the Act to explicitly define reconnection scenarios that are prohibited (e.g. after a defined period of disconnection or in zero-consumption households). Include provisions for a "one-way transition" mechanism, where reconnection is permanently disallowed after electrification and a cooling-off period.
- **Appliance ban framework:** Introduce a phased ban on the installation of gas appliances, starting with new builds and renovations, then expanding to more general installations of gas appliances. Align with National Construction Code classifications to ensure consistency in enforcement.
- **Consumer protection and support:** Ensure clear communication of rights, timelines, and available support to households transitioning away from gas.
- **Compliance and enforcement mechanisms:** Establish a register of decommissioned premises to track and enforce reconnection bans. Use compliance audits and penalties for illegal reconnections or appliance installations.
- **Stakeholder engagement and transition planning:** Engage with appliance retailers, builders, and landlords to prepare for the transition and avoid supply chain disruptions. Coordinate with Evoenergy and ACT regulators to ensure technical feasibility and safety in reconnection bans.
- **Equity and accessibility:** Design policies to avoid disproportionate impacts on vulnerable households, including renters and low-income residents. Offer targeted rebates or subsidies for electric appliance upgrades and energy efficiency improvements.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓	✓	✓		✓		✓

Other laws

Strata, property and rental legislation

Recommendation 9: Advocate for property law changes including disclosure requirements when selling a property, and rental tenancy minimum standards for electrification.

Implementation priority and timeframe
Effort: Low | **Medium** | High
Impact: Low | Medium | **High**
Timeframe: Horizon 1 (6-12 months) | **Horizon 2 (1-2 years)** | Horizon 3 (2-4 years)

Description

Residential Sale and residential tenancies disclosures and sale measures

Another barrier raised is the lack of disclosure requirements included in the Residential Property Act and the Rental Act. Additional disclosure requirements within the Residential Property Act would require owners to disclose whether a gas connection is present on the property, and what type of disconnection is present. This would provide new owners with additional and reliable information regarding their property's gas connection and would allow prospective buyers to make informed decisions

This could be achieved through amending section 9 of the Residential Property Act by inserting a subsection 9(m) that identifies a gas disclosure sheet as a required document. Alternatively, this could be achieved through inclusion in the regulations made under section 9(l).

This gas disclosure sheet is envisioned to operate similarly to the mandatory asbestos disclosure pages which graphically inform prospective buyers about the risks of asbestos. This gas disclosure sheet would also include check boxes so the type of gas connection (or disconnection) can be indicated along with the estimated date of gas supply disconnection. This would ensure that prospective buyers are aware of the risks associated with gas, and when the premises' gas connection will be severed.

These actions would rectify the issue raised at **Barrier 37.**

Similar modifications could be made to the Rental Act to inform prospective tenants in a similar way. In practice this could be achieved through insertion of a subsection 11A(4) of the Act under the definition of 'required information' which sets out information that is required to be included when advertising a rental property. Alternatively, the Act permits that regulations can prescribe other required information, therefore the regulations could be amended to include a disclosure as to whether gas is present on the property and the shutdown date, as 'required information' for the purposes of section 11A.

Rental Efficiency Standards

Another barrier discussed in relation to property law resides within the Rental Act. Section 19A of the Act prescribes minimum housing standards including minimum ceiling insulation standards. Under this section 19A(1)(b) minimum housing standards can be made in relation to energy efficiency. The ACT Government should therefore consider identifying the use of all electric appliances as a minimum housing standard.

This would firstly improve the energy efficiency of rental units, would protect renters who are unable to change their own appliances from gas to electricity, and would also – if early notice is provided – indicate to landlords that they will soon need to upgrade their rental properties to be all-electric.

In practice this could be achieved through amendment of the Residential Tenancies Regulation 1998 to insert a new part (e.g. 9A) that identifies that utilising only electric appliances is a minimum housing standard. The regulations would also, similar to the ceiling insulation standards set out in part 3 of the regulations, identify exceptions and implementation timelines that balance the need for renters to be protected and have their properties electrified against the risk of landlords being overwhelmed with simultaneous (and in some cases significant) costs for replacing all gas appliances. Therefore, this should be achieved as soon as possible to ensure landlords have time to plan and budget.

The Victorian Government has recently introduced reforms to ensure that from March 2027, when gas hot water or heating appliances break or otherwise reach the end of their life, the landlord must replace these appliances with efficient electric appliances. A similar phased approach to installing electric appliances could be considered when amending the minimum housing standards.[78]

These actions would rectify the issue raised at **Barrier 39**.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
✓		✓				✓

78 Victorian Government, New electrification and efficiency standards and regulations for Victorian buildings, 27 June 2025.
79 NSW Government, Guide to 2025 strata law changes, 1 July 2025.
80 Premier of Victoria, Expert Panel To Review Owners Corporation Laws | Premier, 13 June 2025.

Commonwealth laws

Recommendation 10: Work with Commonwealth regulators to minimise transition complexity for gas infrastructure covered by Commonwealth laws

Implementation priority and timeframe
Effort: Low | Medium | High
Impact: Low | **Medium** | High
Timeframe: Horizon 1 (6-12 months) | Horizon 2 (1-2 years) | Horizon 3 (2-4 years)

Description

Many of the barriers that arise from interaction with federal legislation are not necessarily barriers but rather may impede on the progress of the transition from gas and can slow progress.

Designated Areas

One identified barrier is the approval of works in 'designated areas' (**Barrier 34**). As discussed, works within these designated areas require case-by-case approval from the National Capital Authority.

Whilst seeking approval for every instance of required decommissioning works may delay the decommissioning, this can likely be managed by:

- proactive and early identification of gas network infrastructure in Designated Areas by the gas network distributor and notification of this infrastructure to the ACT Government to most effectively support decommissioning activities by the ACT regulators and ACT Government.
- planning to minimise physical asset removal and limiting asset removal to instances that are necessary to preserve safety obligations under the Utilities Act.
- active engagement by the entity undertaking decommissioning with the ACT Government and NCA ahead of a Works Approval application to minimise the chance of adverse outcome from an application.

Canberra Airport's trigeneration

Another barrier arises from Canberra Airport's use of gas within their trigeneration plant (**Barrier 35**). This is set out as part of the Canberra Airport master plan and therefore may require amendment prior to commencing decommissioning of the Airport's gas infrastructure.

Amendment of this plan would best be achieved through early and proactive engagement with the federal government to identify the issue arising and identify how change to the master plan could most easily be achieved.

Canberra Airport infrastructure removal

As also discussed, certain engineering works within Canberra Airport (including the demolishing of pipelines) requires specific approval from the federal regulator, Airservices Australia (**Barrier 36**). Work to decommission pipelines and some associated infrastructure cannot be achieved without this approval.

Therefore, to ensure approval is obtained to enable a timely decommissioning of Canberra Airport, proactive and early engagement with Canberra Airport as well as Airservices Australia is required to ensure that stakeholders can identify subsequent issues early and establish a decommissioning plan.

Better practice design considerations

- **Early and proactive stakeholder engagement:** Engage early with the NCA, Airservices Australia, and relevant federal departments to clarify approval pathways and timelines. Collaborate with entities like Canberra Airport to align decommissioning plans with existing master plans and operational needs.
- **Strategic infrastructure mapping:** Conduct detailed mapping of gas infrastructure in designated areas and critical zones (e.g., Canberra Airport) to identify potential regulatory touchpoints early. Share this mapping with ACT Government and regulators to facilitate coordinated planning.
- **Risk-based asset removal planning:** Prioritise asset removal based on safety obligations under the Utilities Act, avoiding unnecessary physical works unless they pose a safety risk. Consider leaving inert infrastructure in place where removal is not legally or technically required.
- **Integrated approval pathways:** Develop a consolidated approval framework or memorandum of understanding between ACT and federal bodies to streamline case-by-case approvals. Include standardised templates and criteria for Works Approval applications to reduce variability and rejection risk.
- **Legislative and policy alignment:** Work with federal stakeholders to amend documents like the Canberra Airport Master Plan where necessary, ensuring alignment with ACT's electrification goals. Advocate for updates to federal legislation that currently impedes timely decommissioning, using ACT's Integrated Energy Plan as a policy anchor.
- **Transparent communication and reporting:** Maintain open channels of communication with stakeholders and the public to build trust and manage expectations. Provide regular updates on decommissioning progress, challenges, and regulatory interactions.

Risks of recommendation:

- If this risk is not effectively accounted for, it could present significant delays in decommissioning the network and significant inefficiencies in operating the network. The inability for the distributor to decommission certain parts of the network due to specific land restrictions may mean that infrastructure needs to be maintained even where it is highly inefficient to do so. These costs may be ultimately passed onto consumers, further risking uncontrolled price increases and consequent disconnections from the gas network.

Link to decommissioning framework feature(s)

Lifecycle planning	Economic and consumer protections	Stakeholder consultation and ongoing engagement	Safety and risk management	Environmental management	Activity stage-gate approvals	Ongoing regulatory oversight
	✓	✓	✓			✓

Annex A: Domestic and international case studies

Annex A: Domestic and international case studies

Domestic monopoly infrastructure decommissioning

Given the ACT is on track to become the first jurisdiction in Australia to fully decommission its fossil fuel gas network, there is no explicitly like-for-like domestic case study. However, there are relevant insights to gather from the following domestic case studies.

Esperance Western Australia - Natural Gas Network Disconnection

On 30 September 2021, the Esperance Gas Distribution Company (EGDC) announced it would cease supplying reticulated gas to the Esperance community from 31 March 2022. While consistent with the West Australian Government's commitment to renewable energy integration, the decision was primarily due to the economic viability of the service.

From April 2022 to March 2023, Horizon Power (WA's state-owned utility company) supported approximately 400 residential, business and government customers in Esperance to transition from natural gas to other energy sources.[81]

Decommissioning was underpinned by the following key regulatory and operational activities:

- EGDC's surrendered its gas trading licence issued under the *Energy Coordination Act 1994* (WA)
- Establishment of a 12-month transition agreement between the EGDC and Horizon Power (on behalf of the WA government) and development of a comprehensive Esperance Energy Transition Program.
- Comprehensive community engagement activities were undertaken to inform the operational planning and inform the development of consumer supports.
- State-funded transition program of approximately $10.5m to help transition 379 off the EGDC network. Transition funding provided by the state government was designed to support households and business affected by the decommissioning, funding initiatives included appliance replacement and installation, access to in-home energy efficiency consultations, and energy audits and transition advice for business.[82]

Horizon Power shared its key learnings from the transition project as part of their Knowledge Sharing Report published in November 2023.[83]

Key lessons

- Customer engagement: Identify early, engage frequently and provide both face-to-face engagement as well as reliable digital solutions.
- Governance and risk management: Strong planning and regular Steering Committee engagement with key decision makers allowed the program to proactively manage risks throughout delivery.
- Customer-centric: Adopt a case management model and assign case managers to support customers accessing program supports (i.e. funding) to ensure equity and consistency
- Trades: Engaging trades that understand the program objectives and customer experience goals is essential, followed by careful onboarding and appliance education.
- Data-driven: Horizon Power used customer surveys, energy audits, and spatial mapping to inform appliance choices and infrastructure needs.
- Positive economic and environmental outcomes: Post transition analysis illustrated lower energy bills and the effectiveness of decarbonisation initiatives.

81 Horizon Power, Esperance Energy Transition Plan - Customer hub, 2023.
82 Government of Western Australia, Esperance energy transition plan secured with $10.5 million, 26 April 2022.
83 Horizon Power, Esperance Energy Transition Project, Knowledge Sharing Report, November 2023.

La Trobe Valley Victoria - Decommissioning of the Hazelwood Coal Power Station

The Hazelwood coal-fired power station was constructed in the early 1960s and provided the Victorian energy grid with approximately 25% of the state's energy demand for more than 50 years before it was decommissioned in March 2017.

Several factors contributed to station owner and operator, Engie's decision to close the plant, including:

- Scale and scrutiny of health and safety risks following a severe 2014 mine fire and subsequent Hazelwood Mine Fire Inquiry and recommendations, including the increase of the mine's rehabilitation bond from $15m to $73m.
- Environmental impact concerns given Hazelwood's was responsible for emitting approx. 14% of Victoria's greenhouse gases.
- Economic viability, with rising maintenance costs given the ageing infrastructure and the increased competition presented by more efficient gas-fired plants and renewable energy suppliers.

Decommissioning was underpinned by the following key regulatory and operational activities:

- Engie were required to comply with a range of existing WorkSafe Victoria orders to repair boilers in order to mitigate safety risks and meet safety standards required to complete the decommissioning and rehabilitation of the site.
- As part of decommissioning, Engie were required to prepare and seek approval of their Rehabilitation Plan, which also included an Environment Effects Statement (EES) required under the *Environment Effects Act 1978* (Vic).
- The ESS covered assessment of environmental, social and cultural impacts, public consultation and technical working group input as well as accreditation under the Environment Protection and Biodiversity Conservation Act 1999 (Cth) (EBPC Act).
- Rehabilitation activities and planning also required future use planning approvals under the *Planning and Environment Act 1987* (Vic).[84]
- Waste management planning and approvals under the *Environment Protection Act 2017* (Vic).

Key lessons

- Limited (i.e. 5 months) notice period created social and economic shocks for the La Trobe Valley community and highlighted the need for longer lead times for planning and public consultation.
- Absence of industry transition strategies failed to consider the economic costs of worker retraining and redeployment, ultimately requiring government intervention.[85]
- Limited planning also necessitated Government funding (of $300m) to support economic diversification in the region however Engie did retain approx. 250 personnel to oversee the six-year decommissioning, and mine rehabilitation works.
- Energy supply and grid bandwidth was impacted in the short-term following the closure of Hazelwood, highlighting the need for better contingency and/or redundancy planning for the broader grid/network, including investment in renewables.[86]

84 Victorian Government, Scoping Requirements Hazelwood Mine Rehabilitation Project EES, October 2023.
85 Parliament of Victoria, Economy and Infrastructure Committee, Inquiry into the closure of the Hazelwood and Yallourn power Stations, June 2022, page 15.
86 Wiseman, Campbell & Green, Prospects for a "just transition" away from coal-fired power generation in Australia: Learning from the closure of the Hazelwood Power Station, Centre for Climate and Energy Policy Working Paper 1708, November 2017, pages 26 & 35.

Timor Sea, Australia – Decommissioning the Northern Endeavour Offshore Gas Facility

The Northern Endeavour is a floating production, storage and offtake facility located in the Timor Sea. The facility was sold to Northern Oil and Gas Australia (NOGA) in September 2015 and from the period between 2016-2019 NOPSEMA performed frequent inspection and enforcement actions. The Prohibition Notice and General Direction issued in 2019 for safety and health risks resulted in the cessation of operations which had serious implications for NOGA's cashflow and despite several attempts to repair the defects.

Northern Endeavour was acquired by the Federal Government after NOGA, the owner and Titleholder went into administration. Due to the circumstances that necessitated the Federal Government stepping into the shoes of the Title Holder, the decommissioning of Northern Endeavour should be considered an atypical case study as the regulatory framework was not designed for not intended that departments should manage decommissioning of infrastructure regulated under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (OPGGS Act).

Decommissioning was underpinned by the following key regulatory and operational activities:

- Australian Government assumed ownership and transfer of title via OPTA
- In 2021, the Federal Government implemented the Offshore Petroleum Laminaria and Corallina Decommissioning Cost Recovery Levy which awas applied to offshore petroleum producers across Australia. The Levy was necessary to recover the estimated $325 million cost of decommissioning.
- In 2023, the Department of Industry, Science and Resources, in collaboration with Petrofac developed a decommissioning program which included development of an environmental plan and environmental impact assessment (EIA) completed for the removal of the subsea infrastructure and required by the EBPC Act.
- Regulatory approvals were sought for the decommissioning program under the EBPC Act which required the Department to publish its planning documentation (inc. EIA) and invite public feedback.
- Technical decommissioning activities such as the suspension and flushing of subsea wells and pipelines.
- The Department continues to meet key EBPC compliance requirements and publish program updates on the department's website as part of the ongoing decommissioning program.

Key lessons

- Establish a contingency for operator defaults: While financial assurance is a precondition of being approved for a title, in this instance, changes to title ownership, scope of activities and remediation activities did not trigger review of the titleholder's liquidity or the enliven reg powers to require additional assurances and undertakings.
- Cost recovery mechanisms are essential and led to the 2021 amendments to the OPGGS Act, NOPSEMA can enforce "trailing liability" on former titleholders and can Require prior titleholders to step in and decommission.
- Structured and staged decommissioning can support holistic risk management.

Overseas gas network decommissioning initiatives

Meaningful insights can also be gathered from international jurisdictions such as the Netherlands, France and the United Kingdom and their approach to the decommissioning of both gas and nuclear energy infrastructure.

Netherlands – Decommissioning of the domestic gas distribution system

In 2018, the Dutch government decided to phase out production from its Groningen gas field by 2030 in response to earthquake risks and increasing shifts in consumer sentiment regarding climate change. By 2019, the Netherlands having secured both consumer and sector support developed the Dutch Climate Agreement (DCA). The DCA outlines a more aggressive decarbonisation plan and committed to becoming completely gas-free by 2050 and planned to halt domestic gas production by 2030[87]. The DCA outlines five categories of measures[88] that governments and industry will use to phase out gas use, including:

- Regulation: introduction minimum energy requirements
- Economic: taxing energy use
- Region-centric: working with municipalities to develop decarbonisation plans (called 'transitievisie warmte' or TVW) as well as individual neighbourhood implementations plans (called 'wikuvitvoeringsplannen' or WUP).
- Voluntary and binding agreements for mixed residential and housing associations
- Incentivisation of consumers: positive price signal and subsidies including the national Programme for Natural Gas Free Districts (PAW) which provides financial support for the adoption of alternative heating systems.

Legislative amendments to the Gas Act in 2018 now limit the building of new gas connections and from January 2026, gas connections in new-build homes will be prohibited and areas designated as part of TVW plan's may also be permanently disconnected after an eight-year notice period.

The corresponding decline in projected gas demand, along with municipal decarbonisation plans mean that many distribution system operators (DSOs) will be developing a staged approach to the decommissioning of their gas distribution systems. Once a DSO provides notice of their decision to decommission services, they must complete the following regulatory and operational activities:

Decommissioning of domestic gas networks is underpinned by the following key regulatory and operational activities:

- Develop a network decommissioning plan (NDP) outlining the approach, timeframes and safety measures to be implemented. The NDP must address:
  - public consultation with consumers, vulnerable groups and municipalities and detail the measures that will be taken to protect consumers during the transition.
  - environmental impact assessment and include the necessary environmental and waste management plans to Ministry of infrastructure and water management for approval.
- The market regulator, ACM will consider the environmental management, technical program, cost-implications and legal compliance before approving the NDP.
- Operators must also submit a decommissioning cost estimate to ACM to ensure that justified costs are recognised for tariff recover i.e. to recoup stranded asset costs.
- Once permits and regulatory approvals from the national authorities as well as affected municipalities, are provided the operator can begin the physical decommissioning process.
- Monitoring of decommissioning activities is performed through the NexStep National Decommissioning Platform and operators must report progress, amendments and financial updates to the ACM in accordance with the approved NDP.

87 CE Delft, The natural gas phase-out in the Netherlands, February 2022, page 21.
88 CE Delft, The natural gas phase-out in the Netherlands, February 2022, page 12.

Key lessons

- In 2020 the Dutch government passed legislation to amend the Gas Act and require production licensees to enter into decommissioning agreements with co-licensees and operators. The agreements required licensee to provide financial securities to cover the future costs of decommissioning.
- Establishing the national platform (NexStep) helped build consensus amongst stakeholders and streamlined planning efforts.
- Information sharing and coordinated decommissioning plans resulted in cost savings and reduced environmental impact, however further work is required to improve the quality of data used to develop forecasts for timing and costs.
- Standardisation of process both regulatory and technical results in efficiencies and supports continuous improvement.

France – Decommissioning of Nuclear Power Plants

France derives about 70% of its electricity from nuclear energy and presently has 57 active nuclear power plants (NPPs), a further 6 new NPPs approved for construction and 14 NPPs in the process of being decommissioned.[89] Of the 14 plants classified as decommissioned, there are well-developed plans for the dismantling and waste management. This includes Fessenheim NPP which is owned and operated by France's state-owned energy company, EDF. The French Government announced the closure of Fessenheim in 2017 after 43 years of production. Final shutdowns (of nuclear reactors) occurred in 2022, however decommissioning and remediation works are ongoing.

Prior to developing NPP sites, operators must establish dedicated decommissioning and waste management funds. Operators such as EDF, assumes sole financial responsibility for decommissioning. The cost is factored into operation from the start and included in the price of the kilowatt-hour. It is re-assessed every three years to take account of changing technical and financial assumptions, as required by law.

Decommissioning a nuclear power plant in France is a multi-stage regulatory process which includes the following requirements:

- EDF prepared and submitted a final shutdown declaration and decommissioning plan to the France's nuclear safety regulator, ASN. The decommissioning plan included proposed safety protocols, waste management strategies and the environmental protection measures.
- EDF was then required to apply to ASN for a decommissioning licence and prepare further environmental impact assessment and conduct public consultation to test the proposed approach and management strategies for decommissioning and remediation of the site.
- ASN must also conduct public consultation on applications for decommissioning licences and invite public and technical feedback on the decommissioning plan
- During the public consultation period, France's transmission system operator, RTE (state-owned electricity utility) conducted impact assessments to evaluate the impact of Fessenheim's closure on electricity flows and grid stability.[90]
- Once ASN approves the decommissioning licence, EDF worked with the National Agency for Radioactive Waste Management (ANDRA) to finalise its National Radioactive Materials Waste Management Plan.
- ASN and ANDRA continues to monitor EDF's decommissioning program at Fessenheim which is expected to continue into the 2030s.

89 World Nuclear Association, Country profiles: Nuclear Power in France, July 2025.
90 RTE, Impact assessment for the decommissioning of nuclear plant: Fessenheim 2, June 2020.

Key lessons

- The nuclear fleet is highly standardised (e.g. same reactor types) which allows operators and regulators to apply consistent methodologies for managing health, safety and environmental risks and impacts.
- Robust lifecycle planning and ongoing monitoring for environmental impacts and waste management have helped inform priority management areas for high-impact processes and waste types.
- Public engagement and consultation should be designed into and occur across the decommissioning stages to support transparency and maintain the operator's social licence.
- Consider cross-market impacts which is essential for maintaining cross-border electricity flows (i.e. to Germany and Switzerland).
- Regulatory flexibility can support innovation and promote ongoing research and development as was seen through the creation of the Technocentre at Fessenheim which enabled recycling of low-level radioactive metals.[91]

91 SFEN, Fessenheim Technocentre, Seven Key Questions to Understand the Very Low-Level Radioactive Metals Recycling Project, October 2024.

Annex B: Summary of legislation

Annex B: Summary of legislation

Gas regulatory frameworks

Gas transmission, distribution and retail are regulated through both standalone ACT legislation and the national gas regulatory frameworks – the NGL and NERL. The ACT legislation plays a role in regulating certain aspects of the gas industry, including licensing of gas utilities, provision of technical safety and infrastructure maintenance requirements as well as some consumer protections. The national frameworks work in combination with Territory law to regulate the economic operations of the gas network distributor (Evoenergy) and the retailers to ensure protections for retail customers and a host of other things.

The national regulatory frameworks

Gas and electricity networks are regulated through a national framework established under South Australian state law, which has been codified into each state or territory's law if they have chosen to participate in the national framework.

There are three national frameworks which regulate the transmission, distribution and provision of gas and electricity and regulate how these services may be provided by retailers to customers. All three frameworks apply in the ACT. These frameworks are the National Gas Framework, the National Electricity Framework and the National Energy Customer Framework. The National Gas Framework and National Energy Customer Framework are most relevant to the regulation of gas, while the National Electricity Framework[92] pertains to electricity regulation.

The National Gas Framework and National Energy Customer Framework are codified into ACT law as follows:

- **National Gas Framework:** The National Gas Framework is made up of the National Gas Law (NGL), National Gas Rules (NGR) and the National Gas Regulations. In the ACT, the National Gas Law is codified through section 8 of the National Gas (ACT) Act 2008 (ACT) as a law called the 'National Gas (ACT) Law' (NGL). This codification of the NGL also includes codification of the National Gas Rules (NGR) which have the force of law in the ACT.[93] Further, the National Gas (ACT) Act 2008 also imports the South Australian gas regulations as law in the ACT (the National Gas Regulations).[94]
- **National Energy Customer Framework:** The mechanisms by which the National Energy Customer Framework becomes ACT law are almost identical. The South Australian National Energy Retail Law (South Australia) Act 2012 again contains the National Energy Retail Law (NERL), which is codified in the ACT through the National Energy Retail Law (ACT) Act 2012. This codification brings with it the National Energy Retail Rules (NERR) and the National Energy Retail Regulations (NERR).

These two frameworks work to broadly regulate the gas industry and protect small consumers who purchase gas. The NGL and NERL set out the broader principles and high-level regulation, while the rules establish a more granular level of regulation upon a range of stakeholders within the network and are more easily amended by regulators (discussed later). These laws were reviewed for possible regulatory barriers to effective decommissioning.

A visualisation of how these two frameworks are codified in the ACT is set out below in Figure 5.

92 The National Electricity Framework is out of scope for this review and therefore is not deeply examined unless where explicitly identified as an opportunity or barrier to effective decommissioning of the gas network in the ACT.
93 This occurs, by nature of section 104 of the Legislation Act 2001 (ACT) which states that a reference to a law includes its subordinate instruments. Section 26 of the NGL states that the NGR have the force of law within the jurisdiction.
94 National Gas (ACT) Act 2008 (ACT) section 9.

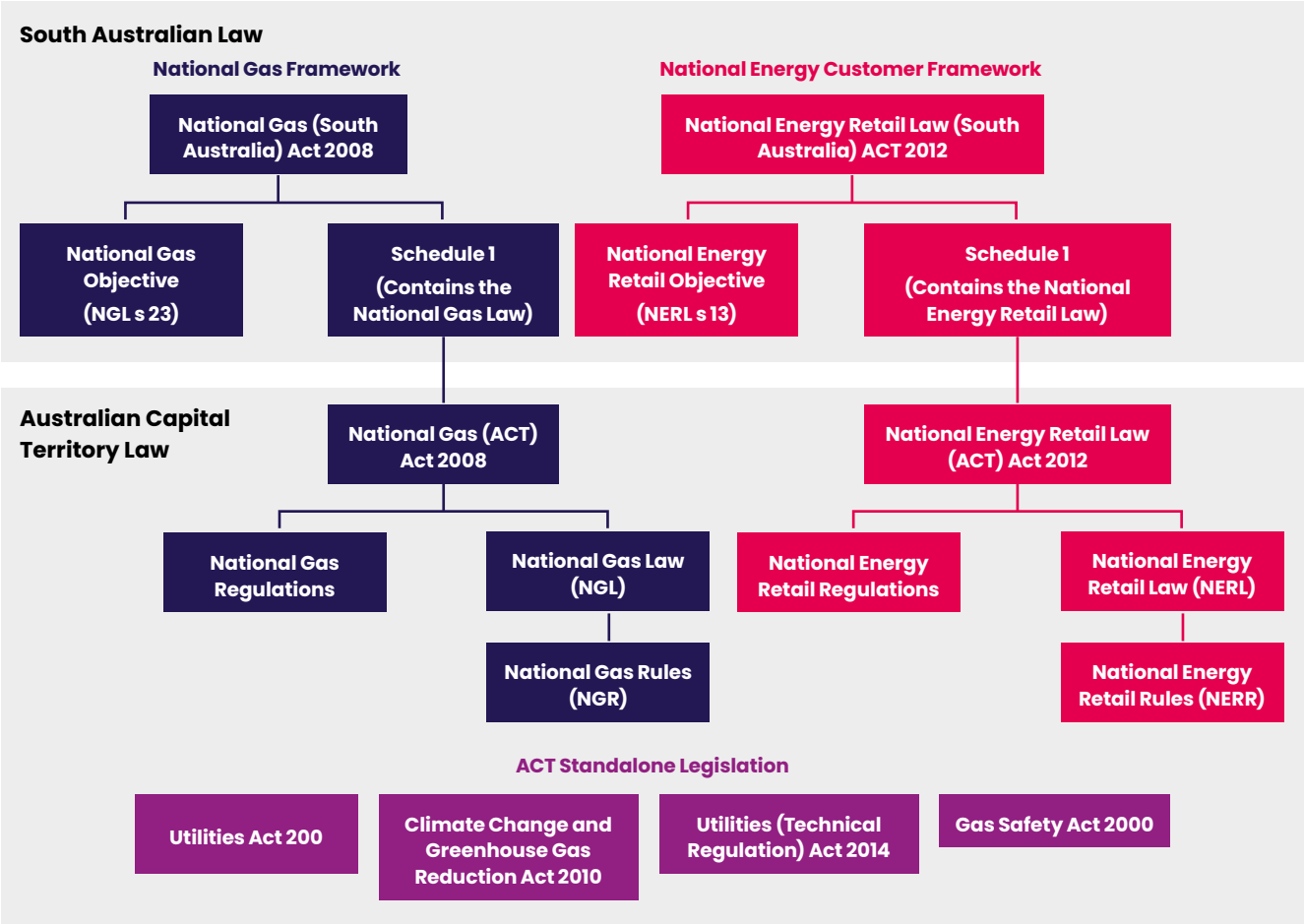


Figure 5: Codification of National Frameworks into the ACT

These two frameworks also both interact with the legislated national objectives, the NGO and NERO. The laws and rules operationalise these objectives by shaping how market bodies, such as the AEMC, AER, and AEMO, exercise their powers and make decisions. These decisions can include rule changes, market operations, and regulatory oversight, all of which must align with the NGO and NERO.

The NGL and NGR operate to regulate economic incentives and investments made into the gas network. The NGR provides adaptive regulation and control, with rule change proposals being overseen and administered by the AEMC. Economic regulation is administered by the AER, while day-to-day network operations are administered by AEMO.

Operation in a growing market

The NGL and NGR work to create key obligations on gas network stakeholders, regulate access to gas networks and establish enforcement and governance frameworks. One of the key aspects of the NGL however, is its economic regulation on various stakeholders within the gas network. Broadly, these work to incentivise efficient investment in the gas network to promote the interests of consumers over the long term. This is achieved through the pricing principles set out in the law:

1. Pipeline providers are able to recover, at the very least, the 'efficient costs' that the service provider incurs.[95] This helps to incentivise investment by providing some level of guaranteed return.
2. Effective incentives can be provided to encourage economic efficiency.[96]
3. Regard should be had to any previous decision regarding the 'capital base' for a gas provider.[97]
4. Gas providers should be allowed to receive a return that is commensurate with the regulatory and commercial risks,[98] as well as the economic costs and potential for inadequate or excessive investment[99] or utilisation[100] of pipeline infrastructure.

95 NGL section 24(2).
96 NGL section 24(3).
97 NGL section 24(4).
98 NGL section 24(5).
99 NGL section 24(6).
100 NGL section 24(7).

These principles guide the AEMC when making changes to the rules, and the AER when reviewing access arrangements.[101] These principles aimed to 'provide the necessary balance between allowing the regulatory regime to evolve as the industry evolves through the NGR and provide the framework for efficient investment in pipelines.'[102] In times when gas demand was growing, this was effective as it assisted to match the growing demand with a growth in investment, and consequently, a growth in the amount of gas infrastructure – aiding to satisfy the growing network demand. This has resulted in the successful utilisation of the gas network as a primary energy source since the inception of the NGL and the NGR.

When introduced, the NGL and NGR were designed to support a growing gas network and play a vital role in the country's energy supply. When the National Gas (South Australia) Bill 2008 was tabled in the South Australian parliament, it was noted that 'The Bill contains new incentives to encourage investment in gas infrastructure, which are particularly important in light of the important role gas is expected to play as we move to a carbon constrained economy.'[103] The original national gas objective, which informs and drives the direction behind the national gas framework enshrined in the NGL was to 'promote efficient investment in, and efficient use of, natural gas services for the long term interests of consumers of natural gas with respect to price, quality, reliability and security of supply of natural gas.'[104]

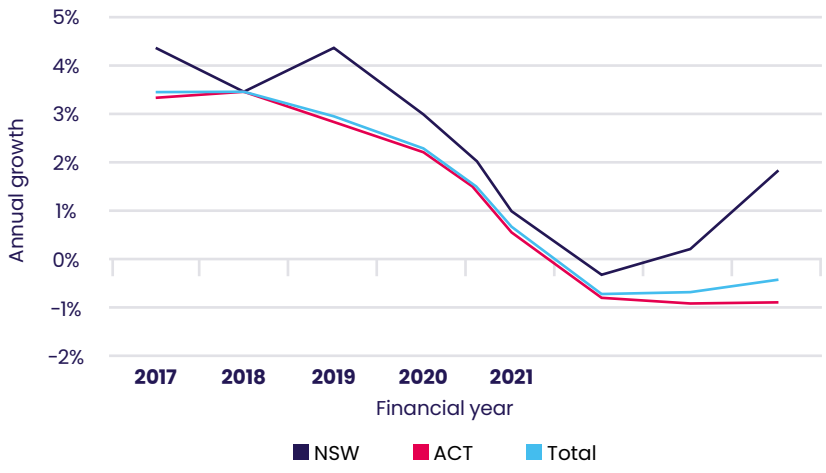
Operation in a diminishing market

Recent market changes in light of a global push towards significant emissions reductions and climate-focused decision-making, have prompted scrutiny into the regulatory framework's underlying assumptions. The enactment of the NGL and NGR depended upon a growing, or at least a stable, customer base as it meant that costs of the network could be shared evenly. Since then, the movement towards net-zero has already resulted in a decline in the number of gas connected households in the ACT, and this expected to decrease at a faster rate moving forward.[105]

It was noted by the AER that:

> *The [gas] regulatory framework does not appear to contemplate a scenario of curtailment or decline in natural gas demand, or that gas networks may have an end-life. The market has evolved in ways unforeseen when the rules were developed.*[106]

Despite ongoing amendments to the gas regulatory framework since these comments were made by the AER, this paradigm shift within the industry continues to pose significant threats to gas consumers, the community, and the shift towards net-zero.



Data source: CIE analysis of billing data.

Figure 6: Annual residential customer growth across the ACT and Great Queanbeyan (NSW) gas network in recent years

101 Access arrangements are proposals made by gas distributors to the AER regarding detailing the services that will be offered, the costs to deliver those services, and the proposed tariff prices charged to customers.
102 South Australia Parliament, Hansard, The Hon. P.F. Conlon, 9 April 2008.
103 South Australia Parliament, Hansard, The Hon. P.F. Conlon, 9 April 2008.
104 South Australia Parliament, Hansard, The Hon. P.F. Conlon, 9 April 2008.
105 ACT Government, Modelling ACT Energy Systems, page 2.
106 AER, Regulating gas pipelines under uncertainty, 15 November 2021, page 59.

Australian jurisdictions, including the ACT, have started experiencing a decrease in the customers using gas. This has fundamentally altered significant assumptions which underpin Australia's gas regulation, particularly gas economic regulation, insofar as they assume a steady or growing customer base on which to recoup costs incurred in maintaining monopoly infrastructure for the transmission and distribution of gas. This poses significant challenges that are not unique to Australia, let alone the ACT. Figures 7 to 9 show the projected gas consumption across residential, commercial, and government sectors, as found by Energeia and Aurecon in the *Gas Transition Pathway to Net Zero Final Report* in 2024. Four different types of transitions are presented in the figures:

- **No intervention:** Only includes the banning of new gas connections policy and no other interventions
- **Extended transition:** No further ACT Government action other than what is currently in place.
- **Targeted transition:** An increase in current policy actions that could by rolled out during the first IEP.
- **Accelerated Transition:** High level of policy ambition that could be implemented during the first IEP.

Figure 7: Projected total residential annual gas consumption.

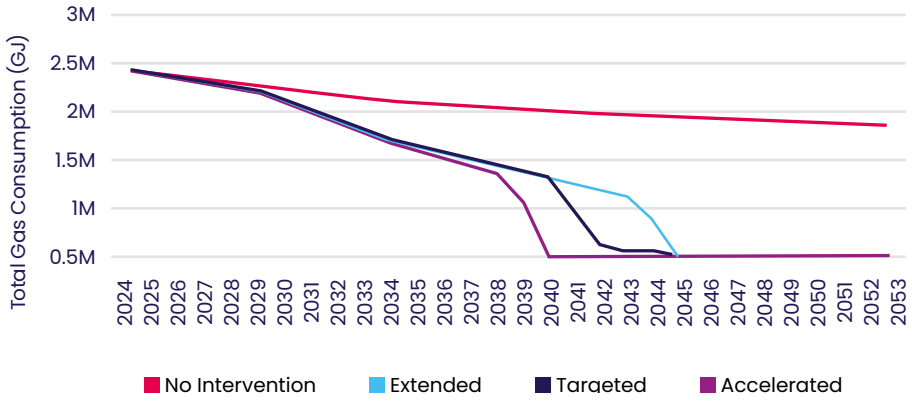


Figure 8: Projected total commercial annual gas consumption.

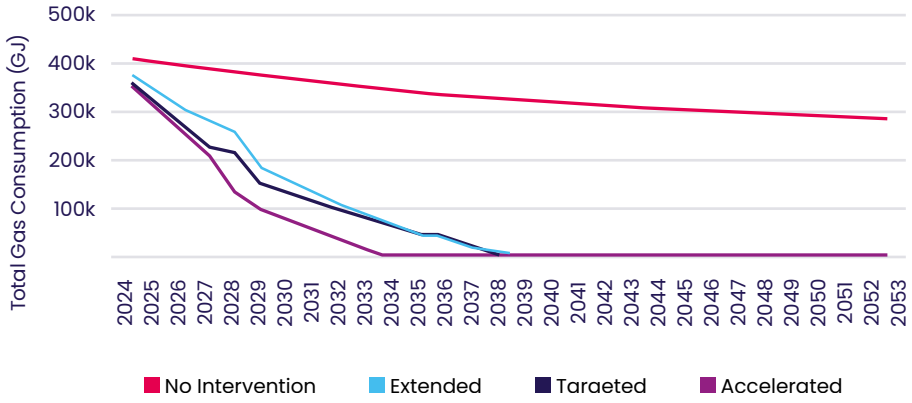


Figure 9: Projected total government annual gas consumption.

ACT utility and gas regulation

The ACT utilises a range of standalone legislation to regulate the supply and sale of gas, as well other elements such as utility licensing, safety protocols, maintenance standards and a host of other aspects of the industry. A range of other legislation also interacts with the activities of a utility, network distributor, retailer, customer and consumer of gas, including property, environmental protection, heritage, and other general application laws.

Other laws

These national regulatory frameworks do not operate in isolation. A multitude of federal and Territory laws also interact with the activities of stakeholders in the gas supply chain. The impact of both gas-specific and general application laws creates complexity for identifying possible regulatory barriers as the threshold question whether general application laws will be engaged are highly context-specific. Where these laws are critical to gas decommissioning activities, they are explored in this report. Where they are remotely involved but only in niche circumstances, they are not analysed and possible barriers not identified.

Summary of technical gas legislation

Unlike economic regulation, technical regulation is mostly achieved at the state/territory level, rather than the national level. The specific Acts that make up this technical regulatory environment aim to regulate a range of aspects, which are largely focused on safety, efficiency and maintenance.

There is also variation in the Acts that make up this technical framework. Some pieces of legislation, such as the *Gas Safety Act 2000* (ACT) specifically regulate the gas industry. While other pieces of legislation, such as the *Utilities Act 2000* (ACT) regulate a range of different 'utilities' which include gas distributors and retailers. The following section provides an overview of the key ACT-specific legislation that regulates gas sale and supply, and articulates key aspects of each piece of legislation.

Utilities Act 2000 (ACT)

The *Utilities Act 2000* (ACT) (Utilities Act) is a broad piece of legislation that works to regulate utilities networks in the ACT. It defines a utility service as including a gas transmission network, a gas distributor and a gas connection service.[107] The Act establishes a licensing scheme which is run by the Independent Consumer Regulatory Commission (ICRC).[108] The ICRC is provided powers to ensure the safe operation of utility networks such as gas and electricity. The Act enables subordinate industry codes to be made which can set out practices, standards and other matters about the provision of a utility service. These industry codes apply to gas transmission networks, distributors and gas connection services.[109] There are two industry codes which currently apply to gas utilities.

Utilities (Technical Regulation) Act 2014 (ACT)

While technical codes were previously able to be made under the Utilities Act, technical codes are now made under the *Utilities (Technical Regulation) Act 2014* (ACT) (Utilities (Technical Regulation) Act). This is another key piece of legislation that assists in regulating gas supply within the ACT. Its primary objective is to ensure that the delivery of utility services is safe, reliable and efficient. This is achieved through promoting design integrity and functionality of networks and ensuring the safety of all stakeholders that interact with utility networks, including the public, people that work on the networks, properties near the networks and the environment generally.

The Utilities (Technical Regulation) Act also establishes a technical regulator[110] (the Technical Regulator) whose role includes:

- preparing of technical codes
- monitoring and enforcing compliance with technical codes
- providing advice to the Minister and the ICRC about the operation of the Act; and others.[111]

107 Utilities Act section 9.
108 Utilities Act part 3.
109 Utilities Act section 56(1).
110 Utilities (Technical Regulation) Act section 77.
111 Utilities (Technical Regulation) Act section 78.

Currently, the Technical Regulator is the Director-General of the ACT Government Environment, Planning and Sustainable Development Directorate.[112]

The Utilities (Technical Regulation) Act also enables subordinate technical codes to be made (as distinct from industry codes) which apply to all utility license holders, including gas transmission networks, distributors and gas connection services.[113] Technical codes regulate the technical aspects of the provision of utilities in order to protect the health and safety of consumers, people working on the network and other stakeholders. This is achieved by establishing consistent design features and specifications, ensuring consumer's properties are properly connected to the network, ensuring the integrity of utility services and facilitating emergency planning. There are a range of technical codes currently in force, of which five are relevant to the regulation of gas utility services.

Technical codes are authorised to be made under section 14 of the Utilities (Technical Regulation) Act. Technical codes regulate a wide range of technical requirements that apply to the gas network. These codes can aid to protect the integrity of a gas network; protect the health and safety of people who work on, or may be affected by, gas networks; ensure premises are properly connected to the gas network; establish design features and specifications to ensure consistency; and a range of other things.[114]

Under section 16 of the Utilities (Technical Regulation) Act, 'regulated utilities' commit an offense if they do not comply with technical codes.[115] A 'regulated utility' includes entities that supply gas from a network to a premises and 'utility services' for the purposes of the Utilities Act.

Technical codes relevant to the regulation of gas include:

- **Gas Metering Code:** Ensures that gas is properly measured and accounted for. Achieves this by creating obligations on utilities to adhere to certain standards, to ensure meters are tested regularly and to ensure gas is properly and accurately measured.
- **Gas Safety and Network Operation Code:** Ensures the safe and reliable design, construction, maintenance and operation of gas networks. It achieves this by utilising various standards to ensure the safe delivery of gas through distribution and transmission networks. The code also requires the appointment of a Chief Technical Officer and must establish a safety and operating plan.
- **Gas Service and Installation Code:** Ensure the safe, reliable and efficient installation, modification and operation and maintenance of gas connections within the network. Mandates that gas service and installation rules must be prepared by utilities and approved by the Technical Regulator
- **Gas Network Boundary Code:** Made under the Utilities (Technical Regulation) Act, this code defines the legislative boundaries between various parts that make up the gas network.
- **Emergency Planning Code:** This code ensures that utilities develop, implement and maintain emergency procedures, annually review these plans, report on the operation of their procedures, and work closely with other utilities and emergency services. This aims to ensure that emergency events can be identified, all affected people receive warning and advice in relation to the event, and ensures public disruption and harm is minimised.
- **Regulated Utility Coordination Code:** Ensures that regulated utilities (including distributors) effectively coordinate with other regulated utilities when any of their proposed works may impact another regulated utility. It also requires communication of these works to the Technical Regulator who can intervene if required.

Climate Change and Greenhouse Gas Reduction Act 2010 (ACT)

The *Climate Change and Greenhouse Gas Reduction Act 2010* (ACT) (Climate Change Act) supports environmental objectives by setting targets for emissions reduction and renewable energy use. It also establishes a Climate Change Council and a regulation that modifies the NGL and NGR to restrict new gas connections under certain conditions, aligning utility regulation with climate goals.[116] This has brought the ACT forward as the first ACT jurisdiction to ban new gas connections. This legislation and its regulation also provide an example how local modifications of the national gas framework can be achieved.

Regulations can be made under section 27 of the Act. Currently, one regulation, the Climate Change and Greenhouse Gas Reduction Regulation 2011 is currently in force. This regulation, among other things, bans the connection of new properties to the ACT gas supply network.

112 Utilities (Technical Regulation) Act section 77(2).
113 Utilities Act section 25, Utilities (Technical Regulation) Act section 16.
114 Utilities (Technical Regulation) Act section 11.
115 Utilities (Technical Regulation) Act section 16(1) & (2).
116 See Climate Change and Greenhouse Gas Reduction Regulations 2011 (ACT).

Gas Safety Act 2000 (ACT)

The *Gas Safety Act 2000* (ACT) governs the safety of a range of gas-related activities. Its primary purpose is to ensure the safe installation, maintenance, and use of gas appliances and infrastructure, to protect public health and safety.

The Act regulates the work of gasfitters, requiring them to be appropriately licensed and to comply with prescribed safety standards. It outlines the responsibilities of individuals and businesses involved in gas installation and servicing, including mandatory compliance with technical standards and codes of practice. The Act also addresses the reporting and investigation of gas accidents, establishing procedures for managing incidents and preventing future occurrences.

In addition, the legislation includes a range of offence provisions for breaches of safety requirements, such as unauthorised gas work or failure to maintain safe conditions.

This legislation which regulates various safety aspects of gas appliances, installing gas, gasfitters, gas accidents and a range of offense provisions for safety failures. The Act governs the safety of gas appliances, installations, and related activities.

Standards incorporated by reference

In the ACT, standards play a crucial role in regulating gas distribution systems to ensure safety, reliability, and efficiency. A range of standards are in use throughout the ACT as they are called upon by various pieces of legislation and technical codes, including the Gas Metering Code,[117] the Gas Safety and Network Operation Code, [118] the Gas Service and Installation Code, [119]

Australian Standard 4645.1:2018

This standard sets out the requirements for the design, construction, commissioning, operation, maintenance and decommissioning of gas distribution networks and provides a performance-based framework for their management. The Standard addresses the decommissioning of gas distribution networks through several key sections, namely sections 2.3, 2.4 and section 8.

- Sections 2.3 and 2.4 requires network operators to establish and implement necessary systems of control to effectively manage the risk gas distribution networks pose to people, property and the environment. This involves developing and maintaining a Formal Safety Assessments (FSAs) which informs the development of the Safety and Operating Plan (SAOP).
- The FSA explicitly requires the network operator to identify and manage hazards and threats across the network lifecycle, including the decommissioning phase.[120] Decommissioning hazards, threats and controls should then be addressed in the SAOP. Note Appendix L contains a process checklist to support the conformance of FSA requirements.
- Section 8 of the Standard provides that where decommissioning and/or abandonment is planned, the considerations to be reviewed through the FSA include:
    - Removal of the asset
    - Purging
    - Filling the void
    - Capping or plugging
    - Recording asset locations
    - Ongoing signage
    - Surveillance
    - Integrity management
    - Easement management
    - Disconnection of network materials at the consumer's end

117 Utilities Act, Utilities (Technical Regulation) (Gas Metering Code) Approval 2021.
118 Utilities Act, Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021.
119 Utilities Act, Utilities (Technical Regulation) (Gas Service and Installation Code) Approval 2021.
120 Note Appendix C of AS4645.1:2018 includes guidance on potential hazards and threats to be managed during the decommissioning and/or abandonment phase

Australian Standard 5601.1:2022

This is the main standard for Type A gas work and sets out the requirements for gas installations downstream of the outlet of the consumer billing meter (1.1.3.2), namely installations within a premises or residence. However, it also provides some guidance on technical or safety considerations for the decommissioning of gas connections, either temporary or permanent in section 2.2.19, Appendix D.2 and Appendix P.

- Clause 2.2.19 provides 'Every gas installation, or part of a gas installation, that is permanently decommissioned shall be disconnected from the gas supply, purged and sealed.'
- Appendix D.2 details precautions for purging which is an essential safety practice when disconnecting and/or decommissioning.
- Appendix P sets out a comprehensive installation checklist to be adopted by installers to ensure that installation works conform with the Standard including the technical design and safety requirements, however there is no equivalent assurance approach for decommissioning activities.

The following standards were not reviewed in detail, however they may be relevant regarding maintaining niche applications of gas through the decommissioning process:

- **AS3814:** Main standard for Type B gas work relating to industrial and commercial gas appliances
- **AS1375:** Main standard for Type B gas work relating to industrial fuel-fired appliances
- **AS2896:** Main standard for medical gas work

Operation of laws

Operation in a growing market

In a growing or stable market these technical requirements largely operated as intended. They assist by ensuring the integrity, safety, efficiency and reliability of gas networks. This aids in ensuring that consumers, employees and the community is kept safe when operating in what can be a highly dangerous industry.

During stable market operations, utilities (including distributors) must also remain licensed to be able to provide a utility service.[121] Compliance with obligations imposed on a utility is required to maintain their utility service licence. These obligations are numerous and are predominantly left to the regulated entity to determine how best to comply with them while running a sustainable business enterprise. Due to the current resourcing of relevant regulators, utility obligation compliance is predominantly self-reported, with targeted assurance to test the validity of compliance.

Operation in a declining market

Unlike the economic regulatory framework examined above, technical regulation is less impacted by a declining market. However, reducing gas demand still presents technical regulatory barriers. One of the most significant trends that will occur is that as demand reduces, distributors and retailers begin to freeze hiring, reduce staff numbers, and reduce costs in order to minimise losses as revenue decreases, to ensure economic viability of the business as a whole.

Currently, the laws prohibit this action where it is likely to result in non-compliance with the Utilities (Technical Regulation) Act. While previously a large pool of employees was commercially justifiable, as the ACT gas market declines, so too will distributor and retailer staff numbers, especially for safety and maintenance purposes. Eventually the gas distributor will need to make a decision to risk regulatory non-compliance (e.g. with the gas hit response time service level) or profitability in retaining a larger workforce when parts of the network are decommissioned (therefore reducing the customer base) but the baseline staffing required for safety and maintenance remains relatively stable, as has been described to be the case during consultation.

Further, it may also be the case that as the transition away from gas becomes more prevalent, individuals with the skills to work for the distributor and ensure compliance with regulation may retrain into different industries to ensure their own financial security. This means that even if a distributor wishes to hire the appropriate staff, or businesses to provide those staff on an as-needed basis, they may not exist. This would make compliance challenging. While a reducing market size will not change these entities' obligations to comply, in practice, these companies will find it increasingly difficult to comply consistently.

121 Utilities Act section 21(1).

This was somewhat noted by the Technical Regulator in discussing the potential for reduced demand:

> *This [reduced demand for gas] may lead to a reduction of local employee numbers if alternative or multiskilled workers cannot be found in alternative utility construction areas. Evoenergy's challenge will be ensuring adequately trained resources are made available to manage and maintain a safe and reliable gas network into the future.*[122]

Additionally with the reducing demand for fossil fuel gas, another fundamental change that may arise is the need for distributors to turn transition to renewable gases, such as hydrogen and biomethane, if possible. These renewable gases can either mixed with, or potentially entirely replace, fossil fuel gas. It has been noted that volumes of hydrogen and biomethane in volumes above 10% of the gas supply can begin to cause problems within the gas network.[123] However, it is noted that the ACT Government's policy position is that renewable gases will not be used to replace fossil fuel gas. We understand that there may be an opportunity to offer renewable gas through a 'micro-network' to commercial customers that require gas for specific uses which electricity cannot achieve, for example where a flame is required or the heat requirement for a process cannot be met by electrification.[124]

Summary of consumer protection legislation

The consumer protection framework plays a key role in ensuring consumers are protected when engaging with the gas market. The primary source of these protections is the National Energy Customer Framework, as discussed earlier in this chapter. This framework consists of the National Energy Retail Law (NERL), the National Energy Retail Rules (NERR) and the National Energy Retail Regulations.

Industry codes can be made under sections 58 or 59 of the Utilities Act and are disallowable instruments which can set out practices, standards and other matters which detail how a utility service must be provided.[125] There are specific matters that industry codes may deal with set out in section 55(2) of the Utilities Act.

There are currently two industry codes in force, however the Consumer Protection Code is the only one relevant to decommissioning. The Consumer Protection Code outlines the rights of consumers and obligations of utilities regarding access to and provision of gas services, billing, debt collection, service interruptions, and complaint handling. It also mandates protections for vulnerable customers, such as those with life support equipment, and includes guaranteed service levels with automatic rebates.

Operation of laws

Operation in a growing market

The consumer protection framework functions as a safeguard to ensure that consumers are treated fairly and equitably. The NERL and the NERR, in combination with the Consumer Protection Code, provide a comprehensive set of protections that are well-suited to a dynamic and expanding market. These protections are designed to support consumer engagement, facilitate competition, and uphold service standards across a broadening customer base.

The framework ensures that utilities maintain transparent billing practices, provide adequate notice for service interruptions, and offer accessible dispute resolution mechanisms. Vulnerable consumers, including those reliant on life support equipment or experiencing financial hardship, are afforded additional safeguards to ensure continuity of service and protection from disconnection. The Consumer Protection Code complements these national provisions by setting enforceable standards for service delivery, complaint handling, and guaranteed service levels.

Operation in a declining market

As the gas market contracts in size due to reduced demand as customers transition to electricity, ensuring that the consumer protection framework remains effective is vital. As has been discussed in relation to technical codes, ensuring compliance as distributors and retailers reduce in size due to commercial viability concerns may be less able to effectively comply with consumer protection frameworks.

122 ACT Government, Utilities Technical Regulation Annual Compliance Report 2022-2023, page 23.
123 ACT Government, Utilities Technical Regulation Annual Compliance Report 2022-2023, page 23.
124 ACT Government, The Integrated Energy Plan 2024-2030, 2024, page 35
125 Utilities Act section 55(1).

Additionally, another concern arises from the increasing cost burden on remaining consumers. As fixed network costs are distributed across a shrinking customer base, those who continue to rely on gas, often due to financial constraints or lack of viable alternatives, may face disproportionately higher bills. This raises significant equity concerns, particularly for vulnerable households who may be unable to afford the transition to electric alternatives. Additionally, utilities may reduce investment in gas infrastructure and maintenance, potentially compromising service reliability and safety.

Further, as the gas network begins to be decommissioned, providing consumers with adequate notice as to when their premises will be disconnected from the gas network is vital. Adjusting regulatory frameworks to ensure that consumers are provided with ample notice will help to smooth the transition from gas to ensure consumers have time to prepare and consider how they wish to transition to electricity, ensuring consumer choice remains available.

Laws reviewed

Utility and gas laws reviewed

Acts

- National Gas (ACT) Act 2008 (ACT)
- Utilities Act 2000 (ACT)
- Climate Change and Greenhouse Gas Reduction Act 2010 (ACT)
- Utilities (Technical Regulation) Act 2014 (ACT)
- Gas Safety Act 2000 (ACT)
- Utilities (Network Facilities Tax) Act 2006 (ACT)

Regulations

- Gas Safety Regulation 2001 (ACT)
- Utilities (General) Regulation 2017 (ACT)
- Utilities (Gas Restrictions) Regulation 2005 (ACT)
- Utilities (Technical Regulation) Regulation 2017 (ACT)
- Climate Change and Greenhouse Gas Reduction Regulation 2011 (ACT)
- Utility Networks (Public Safety) Regulation 2001 (ACT)

Technical Codes (made under the Utilities (Technical Regulation) Act 2014

- Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021
- Utilities (Technical Regulation) (Gas Service and Installation Code) Approval 2021
- Utilities (Technical Regulation) (Light Rail Regulated Utility (Electrical) Network Boundary Code) Approval 2024
- Utilities (Technical Regulation) (Light Rail Regulated Utility (Electrical) Network Code) Approval 2021
- Utilities (Technical Regulation) (Listed Dams) Determination 2023
- Utilities (Technical Regulation) (Non-drinking Water Supply Code) Approval 2024
- Utilities (Technical Regulation) (Operating Certificate Fees) Determination 2025
- Utilities (Technical Regulation) (Regulated Utility Coordination Code) Approval 2021
- Utilities (Technical Regulation) (Water and Sewerage Code) Approval 2024
- Utilities (Technical Regulation) (Gas Network Boundary Code) Approval 2018
- Utilities (Technical Regulation) (Gas Safety and Network Operation Code) Approval 2021
- Utilities (Technical Regulation) Dams Register — Required Information Determination 2015 (No 1)

Industry Codes (made under the Utilities Act 2000)

- Utilities (Consumer Protection Code) Determination 2020
- Utilities (ACT Retail Electricity Transparency and Comparability) Determination 2021

Rules

- Evoenergy Gas Service and Installation Rules 2nd Edition (May 2024 v 3.B)

Standards

- Australian Standard 4645:2018
- Australian Standard 5601:2022
- Australian Standard 2885:2018

Ancillary laws reviewed

- Civil Law (Property) Act 2006 (ACT)
- Civil Law (Sale of Residential Property) Act 2003 (ACT)
- Defence Act 1903 (Cth)
- Environment Protection Act 1997 (Cth)
- Environment Protection and Biodiversity Conservation Act 1999 (Cth)
- Residential Tenancies Act 1997 (ACT)
- Security of Critical Infrastructure Act 2018 (Cth)
- Unit Titles (Management) Act 2011 (ACT)
- Unit Titles Act 2001 (ACT)
- Urban Forest Act 2023 (ACT)
- Work Health and Safety Act 2011 (ACT)
- Work Health and Safety Regulation 2011 (ACT)
- ACT Excavation Work Code of Practice

Annex C: In-scope instruments reviewed

Annex C: In-scope instruments reviewed

Instrument name	Planning	Economic	Consultation	Safety & Risk	Environmental	Approvals	Oversight
National Gas (ACT) Law	s 74 – Head of power to make NGR may need to be expanded to include decommissioning.	s 24(2) – Reasonable opportunity to recover efficient costs may be unsustainable. s 24(5) – Increasing commercial risk may lead to astronomic reference tariffs.	s 136C – Transparency information obligations may be used to ensure distributors provide decommissioning information.	-	-	-	s 72A – Ability for greenhouse targets to influence NGL and NGR amendments.
National Gas Rules	-	r 79(1) – Criteria for new capex may be too broad. r 89(1)(a) – Obligation on distributors to depreciate assets in a way that promotes market growth r 89(1)(b) – Depreciation of an asset can only be recovered over its 'economic life'.	-	-	-	-	-
Utilities Act 2000	s 55 – Power to make industry codes does not extend to decommissioning. s 106 – Authority exists to enter land to alter or remove infrastructure.	-	s 75H – No requirement for retailers to provide consumers with information about decommissioning incentives.	s 9 – Decommissioning not defined as a 'Utility Service'.	-	s 219 – Obligation for utilities to comply with government programs does not extend to decommissioning. Gap – No authority for government to compel utilities to turn off gas supply.	-
Consumer Protection Code	Gap – no threshold for when an area can be disconnected from gas.	-	-	-	-	-	-

Instrument name	Planning	Economic	Consultation	Safety & Risk	Environmental	Approvals	Oversight
Utilities (Technical Regulations) Act 2014	s 11 – Technical codes must comply with objects of the Act and need to be made for a purpose in s 11(1). Gap – No requirement for utilities to plan for decommissioning	-	-	s 6 – Objects of the Act do not include safe decommissioning. s 37 – Unauthorised disconnection from gas network is not an offense.	-	-	-
Gas Service and Installation Technical Code	s 2.2, s 7.2(1), s 7.3.3(2)-(3) – Does not obligate that GS & I Rules extend to decommissioning.	-	-	s 5.1(1) – No obligation to ensure decommissioning work is done safely.	-	s 5.1(2) – No obligation for utilities to ensure that disconnections occur with approval.	-
Gas Safety and Network Operation Code	-	-	-	s 2.2(1) – Purpose of the code does not extend to safe decommissioning. s 5.1(1) – Obligations on utilities to manage gas network safely, reliably and efficiently does not extend to decommissioning.	-	-	s 10.3(1) – Technical Regulator does not have power to obtain ad-hoc reports about decommissioning.
Regulated Utility Coordination Code	s 4(1), s 4.1(1) – Obligations for utilities to communicate do not extend to decommissioning.	-	-	-	-	-	-
Climate Change and Greenhouse Gas Reduction Act 2010	s 13A(1) 'New Gas Connection' – No ban on temporarily disconnected consumers reconnecting gas supply. Gap – No ban on sale of gas appliances.	-	-	-	-	-	-

Instrument name	Planning	Economic	Consultation	Safety & Risk	Environmental	Approvals	Oversight
National Energy Retail Law (ACT)	s 47 – The general principle of de-energisation is not replicated for decommissioning. S 53 - Energy Marketing Rules made under this section should include the need to disclose when the gas will be disconnected. S 66 – Obligation to connect customers, conflicts with ACT greenhouse reg – also offense provision.	-	s 279–287 – No obligation to provide decommissioning data to regulators	s 16(c)(ii) – notes that NERL and NERR extend to distributors if they supply gas, what if they stop supplying gas but continue decom, they will no longer be captured in NERL? s 27 – obligation for retailers to comply with conditions of standard contract, this presumably includes supplying gas, what if gas is shut down. (this is also a penalty provision) (distributor obligation under s 71)	-	-	-
National Energy Retail Rules	r 90(1B) – Notice required for planned interruption does not extend to planned shutdown of gas. r 119(i) – Authority for distributor to disconnect gas supply is intended for emergency disconnection only.	-	-	-	-	-	-
Civil Law (Sale of Residential Property) Act 2003	s 9 – Sale disclosure documents do not include a disclosure as to whether gas supply is present.	-	-	-	-	-	-
Unit Titles (Management) Act 2011 and regulations	-	-	-	-	-	-	-

Instrument name	Planning	Economic	Consultation	Safety & Risk	Environmental	Approvals	Oversight
Residential Tenancies Act 1997	s 19A – Minimum housing standards do not mandate the installation of electric appliances.	-	-	-	-	-	-
Australian Capital Territory (Self-Government) Act 1988 and Australian Capital Territory (Planning Land Management) Act 1988	Approval of 'works' in Designated Areas required by the NCA	-	-	-	-	-	-
Airports Act 1996	s 98 – Decommissioning works require approval from Airservices Australia	-	-	-	-	-	-

Annex D: Stakeholder Consultation

Annex D: Stakeholder Consultation

The following table outlines the ACT and Commonwealth government, industry, interest group and community stakeholders consulted as part of this review.

	Organisation
Industry Regulators	Australian Energy Regulator (AER)
	Australian Energy Market Commission (AEMC)
	Independent Competition and Regulatory Commission (ICRC)
	Representatives of the ACT Technical Regulator
Network distributor	Evoenergy
Community and interest groups	The ACT Council of Social Service (ACTCOSS)
	Property Council of Australia
ACT Government Stakeholders	Complex Building Transformations
	Climate Change, Energy, and Water (CCEW)
	Electrification of Government Gas Assets Program (EOGGA) under Infrastructure Canberra (iCBR)

Annex E: Regulatory landscape

Annex E: Regulatory landscape

This diagram provides an indicative non-exhaustive representation of the legislative environment governing gas supply, sale, safety, installation, and maintenance in the ACT. It illustrates the complexity and interconnectedness of a framework that comprises both territory-specific legislation and nationally coordinated instruments. These layers of regulation interact to create a system that is tailored to local needs while maintaining broad nationally consistency. However, this interdependence also introduces significant complexity. Amendments to any part of the framework, whether primary legislation or subordinate instruments, can trigger cascading effects across related laws and regulations. Without careful consideration, such changes may result in unintended consequences, including regulatory misalignment or operational inefficiencies. To mitigate these risks, any proposed reforms should be underpinned by comprehensive regulatory impact analysis. This diagram is intended to support understanding of the broader context and should not be relied upon as a definitive or exhaustive basis for legislative reform.

Yellow interlinking lines below represent legislative cross-references which will require careful collaboration in making amendments to understand consequential amendments.

Accountable Minister

- Climate Change, Environment, Energy and Water
- Planning and Sustainable Development
- Skills, Training and Industrial Relations
- Attorney-General
- Treasurer
- Minister for Finance (Partially)
- Transport
- City and Government Services

In the absence of accountable Minister, the Minister of the parent instrument is accountable

Laws

- ACT Law
- Cth Law
- National Coordinated Framework

Key