

FUTURE APPLIANCE REGULATIONS TO SUPPORT THE GAS TRANSITION | *DISCUSSION PAPER*

Australian Energy Producers | September 2026

Australian Energy Producers welcomes the opportunity to make a submission to the Australian Capital Territory (ACT) Government's consultation on 'Future appliance regulations to support the gas transition'.

ACT energy policy should support reliable, affordable and progressively lower-emissions outcomes while preserving consumer choice. Natural gas continues to meet the energy needs of many ACT households and businesses and can contribute alongside electricity and emerging technologies. Future policy should remain flexible enough to accommodate different consumer needs, technologies and energy sources. Any further regulation of gas appliances should be informed by a comprehensive and transparent assessment of its emissions-reduction benefits, consumer costs and practical implications.

Australian Energy Producers recommends:

- Avoid imposing disproportionate electrification costs on ACT households and businesses.
- Ensure consumer choice by allowing ACT households and businesses to select the energy sources that best meet their needs and circumstances.
- Adopt technology-neutral energy policy settings that support reliable, affordable and progressively lower-emissions energy, while recognising the continuing role of gas in the energy transition.

Natural gas remains an important energy source for households and businesses across Australia and in the ACT. Natural gas provides around a quarter of the country's total energy needs.¹ More than 146,000 residential customers are connected to the ACT gas network, alongside almost 3,000 commercial customers.² ACT households use gas primarily for space heating and hot water, while businesses use it for a range of commercial activities.³ The scale and diversity of this existing use means that restrictions on gas appliances will have real consequences for households and businesses. Any transition must therefore be carefully managed, preserve consumer choice wherever practicable and avoid imposing disproportionate costs on those least able to absorb them.

Australians support an ongoing role for natural gas, including in households. National research commissioned by AEP and conducted by JWS in September 2026 found that 86 per cent of Australians see a role for natural gas in Australia's future energy mix, including in manufacturing, electricity, and heating and cooking in households and businesses. 72 per cent also held a favourable view of using natural gas in homes for cooking, heating and hot water. This support is reinforced by further AEP polling in Victoria, where 82 per cent of voters agreed that households should be free to choose whether they use gas or electricity for cooking, heating and hot water.⁴ While the Victorian

¹ Department of Climate Change, Energy, the Environment and Water, [Australian Energy Statistics – Update Report 2025](#). August 2025.

² Australian Energy Regulator, [Gas quarterly disconnection reporting. Distribution Gas Networks. April 2026 to June 2026](#). August 2026.

³ ACT Government, [Future Appliance Regulations to Support the Gas Transition – Discussion Paper](#), 2026.

⁴ Australian Energy Producers, [Victorians back natural gas and greater energy choice, new polling finds](#). July 2026.

Head Office

PO Box 3560 Manuka ACT 2603

+61 2 6247 0960

contact@energyproducers.au

energyproducers.au

results cannot be directly applied to the ACT, they provide relevant evidence of attitudes in another east-coast jurisdiction pursuing household electrification.

Households and businesses should have the flexibility to choose the energy sources that best meet their needs and circumstances. Those who prefer gas because it is the most affordable or practical option, or because they value the energy security and resilience benefits of maintaining access to both gas and electricity, should retain that choice. Energy requirements, building characteristics and the costs and feasibility of changing appliances differ considerably between consumers. A uniform regulatory approach cannot adequately reflect these differences and risks imposing unnecessary costs or removing practical options that continue to meet the needs of ACT energy users.

Mandatory replacement of end-of-life gas appliances would impose significant upfront costs on affected consumers. Replacing a gas appliance can involve higher purchase and installation costs, as well as upgrades to wiring, switchboards, ducting, plumbing or the building itself.^{5,6} These costs and practical barriers will vary considerably and may fall disproportionately on low-income households, renters, owners of units in multi-unit buildings and small businesses.^{7,8} For some commercial premises, electrification may also require substantial and technically complex building upgrades. Any regulation should therefore be supported by a comprehensive assessment of these costs and include appropriate transition periods, exemptions and targeted assistance.

Gas and electricity together strengthen energy security and resilience in the ACT. The ACT's gas and electricity networks provide complementary sources of energy for households and businesses. Maintaining access to both supports energy diversity and reduces reliance on a single energy system. Any regulatory changes should therefore account for their implications for energy security, peak demand and system resilience, including during extreme weather and supply disruptions.

Policy should focus on delivering reliable, affordable and progressively lower-emissions energy. Effective energy policy should establish clear outcomes while allowing consumers and markets flexibility in how they are achieved. Technology-neutral settings encourage competition and innovation and allow new fuels and technologies to contribute as they develop. Prescribing the energy mix or prohibiting particular fuels risks increasing costs, constraining innovation and delivering poorer outcomes for ACT households and businesses.

⁵ Energy Consumers Australia. [Power Move: Fair and affordable electrification for Australian households and small businesses](#). April 2026.

⁶ Grattan Institute, [Getting off gas: Why, how and who should pay?](#) June 2023.

⁷ Energy Consumers Australia. [Power Move: Fair and affordable electrification for Australian households and small businesses](#). April 2026.

⁸ Grattan Institute, [Getting off gas: Why, how and who should pay?](#) June 2023.