



Life Course Centre

ARC Centre of Excellence for Children
and Families over the Life Course

Customer Impacts of the Withdrawal of the Gas Service in Gippsland

This document summarises the views and personal impact of customers affected by the withdrawal of gas service by Solstice Energy Group as expressed at the public Gas Closure Information Sessions in Orbost on 12 November 2025 and in Lakes Entrance on 13 November 2025 – where over 140 customers are affected across the two towns. The attendees have been deidentified, and the case studies have been written with consent of the households.

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The Australian Research Council Centre of Excellence for Children and Families over the Life Course ([Life Course Centre](#)) is a national research centre investigating the critical factors underlying deep and persistent disadvantage to provide new knowledge and life-changing solutions, for policy, service providers and communities.

This documentation was done as part of broader body of research they are undertaking on equitable electrification. See more at [Energy Equity](#).



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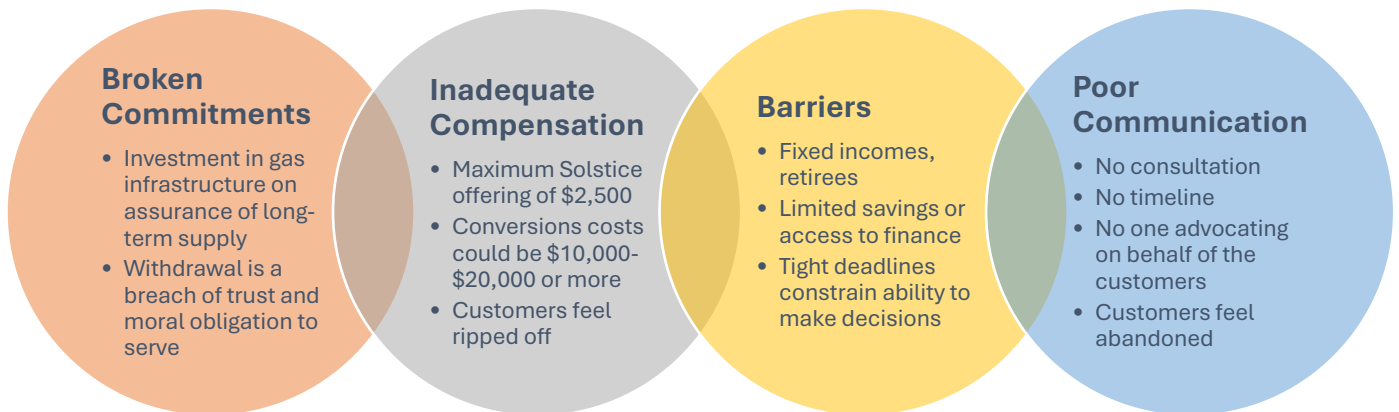


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Background

By the end of 2026, the Solstice Energy Group (Solstice) will shut down its gas network, affecting over 1,000 customers in 10 regional Victorian towns¹. According to Solstice, these standalone gas networks are no longer economically viable to operate. Without consultation with affected towns, the August 2025 announcement gave reticulated gas customers a maximum of 16 months to transition their homes or businesses. For Gippsland, the timeline is even tighter: disconnection as early as July 2026, giving customers as little as seven months. The figure below summarises the key concerns and views raised by affected customers:



“We put our trust in that system”

Views on Solstice Withdrawal

Customers at the Information Sessions explained how they had made significant investments in new gas appliances and upgrades based on a commitment by Solstice and the Victorian government to supply “affordable” gas to their town for the foreseeable future².

The premature withdrawal of reticulated gas supply was seen by consumers as a direct breach of a commitment to supply. Customers said they were encouraged, and in some cases required, to connect to gas as a “cheaper, cleaner source of energy”. The investments that were made were substantial, for example: \$10,000 for in-built gas fireplaces, considerable costs for central ducted gas heating systems, and \$1,500 for a gas cooktop. One local resident subdividing a farm property was required by Council to connect gas to each of the subdivisions at a cost of more than \$50,000 in order to get a planning permit.

Customers expressed anger and frustration. They had been told gas was their future, only to watch Solstice, the monopoly gas retail supplier in the region, increase charges over time

¹ Solstice Energy Retail (formerly Tas Gas Retail) is a subsidiary of Solstice and operates as a retail supplier of gas in Victoria. The subsidiary Gas Networks Victoria is the distributor of gas across 10 regional Victorian towns: Terang, Maldon, Marong, Heathcote, Robinvale, Swan Hill, Kerang, Nathalia, Orbost and Lakes Entrance. Solstice is also responsible for the operations of the transmission pipelines supporting the supply of gas to these towns.

² An agreement was made in October 2014 between Tas Gas Retail and Regional Development Victoria as part of the Victorian government’s 2013-14 Budget announced for the Energy for the Regions program [see [Media Release](#)]. The Victorian government provided \$55m from the Regional Growth Fund to connect Lakes Entrance and Orbost to the piped gas network in 2020-2021. This occurred less than five years before the August shutdown announcement.



before announcing its exit.³ Customers questioned how the government allowed a monopoly provider of an essential service to operate with no clear regulation or control of pricing and service provision.

There was confusion and frustration towards Solstice, with customers left wondering how the gas company could profit so much from small town customers and then abandon them, leaving them out of pocket. As one customer put it: "[they] can't stand up and walk away."

“We have no money”

The Unaffordable Cost of Conversion

As part of the withdrawal, Solstice is offering customers the following options:

1. Solstice-supported conversion to LPG: Solstice will cover the cost of converting appliances to liquid petroleum gas (LPG, also known as bottled gas). Customers will not be out of pocket for the conversion under this option and can continue using their appliances with bottled gas.
2. Self-managed conversion: Customers can choose to switch to bottled gas or convert to electric appliances. Under this arrangement, Solstice is offering customers \$1,000 plus additional payments per appliance that requires converting, with a maximum of approximately \$2,500. *Customers choosing to electrify must use this self-managed option.*

The government is also offering incentives for purchase of electric appliances and solar installations⁴. DEECA and SEC staff were present to explain the government support available and the operational cost savings of electric appliances. However, customers emphasised that these were inadequate and expressed anger that they will be left significantly out of pocket.

Many customers indicated that the cost of conversion, especially for central gas ducted heating, far exceeded the compensation on offer. Some face out of pocket expenses of up to \$20,000 to convert to an electric central heating system. There was strong agreement that customers should not be out of pocket at all (see Case Study 1 and Case Study 2). Customers also raised concerns about continuity during the transition itself, requesting that Solstice provide at least one bottle of gas at the time of conversion to prevent any interruption in supply. Current information indicates this will not be offered.

Several customers highlighted that they were recipients of government income support including the Age Pension, Disability Support Pension (DSP), Carer Allowance and JobSeeker. A number stated “We have no money” to cover the cost of conversion. Some customers had already lost homes in natural disasters and had a poor credit rating due to circumstances beyond their control (see Case Study 1). As a result, even low interest or no interest “green” loans for these necessary upgrades are not available to them.

Customers dismissed claims by Victorian government agencies that future electricity savings would cover upfront conversion costs. They emphasised they simply cannot afford the initial investment, even with government rebates. One older customer asked how they could be expected to recoup the upfront cost when they did not expect to be living in the same house

³ At the time of the closure announcement, Solstice also announced a 50 per cent price increase. Gas prices had already increased by 80 per cent at the beginning of 2025.

⁴ See: [Supporting Solstice Energy customers](#)



beyond a few years. Trust in electricity providers was also low, with one customer stating that they had been “shafted by electricity companies – prices just keep rising”.

Beyond swapping appliances, customers also pointed to extra retrofit costs that push the overall price up. Some homes need structural changes for electric appliances, some would require switchboard upgrades, while others need new cookware for induction cooktops.

“What about central heating?”

Loss of Quality and Reliability

Customers emphasised they would be worse off in terms of cost and service provision. They said that electric appliances do not provide the same perceived quality of heating as gas systems, which was a reason customers chose gas in the first place. The type of heat provided by reverse-cycle air conditioners (RCACs) was considered inferior to gas heating. Customers noted that conversion of ducted gas heating to bottled gas is neither technically feasible nor economically viable in most cases, leaving them with limited choices: pay high costs or go without heating entirely.

One customer was concerned about the visual impact of large gas bottles at the front of their house. Another customer was left with a feature gas fireplace in their main living room that could not be connected to the electricity network, rendering it redundant (see Case Study 2). In both cases, customers believe their property value will decline as a direct result of the gas supply withdrawal.

Customers were concerned they would become more vulnerable to electricity outages if they converted to all electric appliances. Some described outages as frequent in the area. One customer reported: “We get outages several times a year. It varies from an hour to a few hours. During fires it was out for days.” Without a battery that stores solar power generation, this customer feared being left without any service if they fully electrify.

Customers also raised concerns about the reliability of bottled gas, especially for central heating. Many were put off by the idea of having to change bottles in the middle of the night. Switching to larger commercial bottles is an option, but it may require extra infrastructure paid for by the customer.

Customers were concerned that switching to bottled gas was only a temporary fix given the Victorian government’s gas phase-out plans. One asked: “How long will this be an option before we’re made to move to renewable energy?” (see Case Study 3).

“Where is Solstice?”

Communication and Timing

Attendees said that Solstice’s communication with the community and affected customers has been poor, with no clarity on the timeline for the gas phase-out.

Customers were particularly angry that Solstice did not attend the public meetings to explain the situation or be accountable to the affected customers. They were also frustrated that Solstice has not released a schedule for the phase out, leaving uncertainty about when in 2026 supply will actually end. Government agencies attempted to reassure customers that the phase-out would not begin until mid-2026, but this still offers a minimum timeframe of only



seven months for customers to manage their transition. Many customers were fearful of their health and wellbeing as the cold weather approaches.

“Why weren’t we asked?” was a common refrain from the customers in attendance. They were angry that the decision had been delivered as a *fait accompli*. They felt a lack of agency and disrespect through this process. Customers also asked who is advocating on their behalf? Although local government staff attended the meeting, customers felt there was insufficient advocacy taking place and requested more meetings and to be kept informed throughout the process.

The Path Forward

The customers felt they have done nothing wrong but are being penalised. They invested in infrastructure that they were told would serve them for decades and trusted that an essential gas service would be available to them. They explained that they now face financial hardship, inadequate compensation, short-term solutions, and an impossible timeline.

Making A Complaint

Customers can make a complaint to the Energy and Water Ombudsman Victoria (EWOV). EWOV is an independent organisation that helps resolve complaints about electricity, gas and water issues in Victoria. As a retailer, Solstice is captured under EWOV’s scheme.

EWOV only accepts complaints from affected customers.

The Solstice withdrawal is unprecedented in Victoria and it remains to be seen what the complaints process can deliver.

Refer to the EWOV website for information about the organisation and the complaint process: <https://www.ewov.com.au/> Or call 1800 500 509.

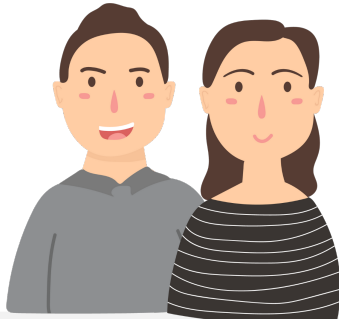
Paying the Price in Gippsland: Real Stories of Solstice’s Gas Network Withdrawal

See following pages for three case studies.



Case Study 1

Couple, 50-59 | Gippsland since 2022 | Homeowner



Bill and Kate*

Low-income (DSP and Carers Allowance), victims of scams and natural disaster (lost home), low credit rating.

2022: Purchased home – connected to the newly the created gas network



Appliance Upgrades

2022: Spent \$1,500 to install a gas cooktop
Heat pump installed through funded grant program

----- Solstice withdrawal 2025 -----



Appliances Impacted

Ducted gas heating

Gas cooktop



Barriers Faced

Financially constrained due to life course events; lack savings to draw down on; unable to access loans due to damaged credit rating



Options available

Heating

Needs to be replaced with RCACs or ducted electric heating

Bottled gas **insufficient** for central heating

If unable to convert, will be forced to go without heating

Cooktop

Convert to bottled gas **OR** replace with induction

Conversion options
Solstice-supported: no cost
Self-managed appliance only compensation: \$250

Ducted gas heating replacement costs (self-managed):

Indicative cost[^]: up to \$16,000

Rebates: up to ~\$5,500

Solstice compensation: \$1,000 + \$600

Estimated out of pocket cost to electrify: >\$9,000

(cooktop conversion not included)

“We shouldn’t be out of pocket; we haven’t done anything wrong”

- Uncertain timeline
- Depleted savings
- Overpriced bottled gas concerns
- No heating for winter

* Names changed ^ Indicative costs of converting to electric ducted system supplied by DEECA



Case Study 2

Retired couple, 70–79 | Gippsland since 2020 | Homeowner



Larry and Kylie*

Fixed income (Age pension and Carers Allowance), lost home in natural disaster, moved to Gippsland to start afresh.

2020: Purchased newly built home – connected to the gas network (RCACs already installed, used for heating and cooling)



Appliance Upgrades

2021: Spent \$10,000 to install an in-built gas fireplace to heat leaving areas and act as a feature piece
Installed solar panels, induction cooktop and heat pump

Solstice withdrawal 2025



Appliances Impacted

Fireplace only
All other appliances are electric



Barriers Faced

Financially constrained due to life course events and substantial rises in gas prices; lack savings to draw down on

Decline in property value due to feature wall with unusable gas heater if unable to replace



Options available

Fireplace
Retrofit feature wall and replace gas with electric system

Can't convert heater to bottled gas – **redundant**

Unable to take up Solstice-supported option

Gas heater replacement costs (self-managed):

Quoted cost: >\$5,000 + installation + electricity connection

Rebates: up to ~\$1,600

Solstice compensation: \$1,000 + \$400

Estimated out of pocket cost to electrify: >\$2,000

No fireplace replacement = significant property value loss

“Why should we have to foot the bill for changeover for something that was completely out of our control?”

- Uncertain timelines
- No clear source of support.
- Feeling abandoned and unfairly treated

* Names changed



Case Study 3

Single, 40–49 | Gippsland since 2020 | Homeowner



Sarah*

Low-income (JobSeeker), chronic health conditions, high energy literacy, recently widowed, moved to Gippsland for a fresh start

2020: Purchased newly built home (first occupant) – connected to the newly the created gas network.



Appliance Upgrades

Installed a wood fireplace, despite the push for gas (RCAC inadequate for whole-of-house heating)

----- Solstice withdrawal 2025 -----



Appliances Impacted

Instantaneous gas hot water system

Gas cooktop



Barriers Faced

Financially constrained due to life course events; limited capacity to work due to disability; limited income support

Physical health condition can be life threatening; **requires instant, reliable hot water supply** for pain management



Options available

Hot water system
Convert to bottled gas **OR** replace with heat pump

Cooktop
Replace with induction **OR** continue using 'makeshift' portable stove

Concerns: increasing costs, reliability and long-term viability

Conversion options
Solstice-supported: no cost
Self-managed appliance only compensation: \$300

Gas cooktop cannot be converted to bottled gas (jets can't be switched)

Unable to take up Solstice-supported option

Switchboard upgrades required

Gas hot water and cooktop replacement costs (self-managed):

Quoted costs: >\$9,000 (includes disconnection fee of \$1,200)

Rebates: up to ~\$2,000

Solstice compensation: \$1,000 + \$550

Estimated out of pocket cost to electrify: >\$5,000

"I'm not asking for special treatment – just fairness"

- Limited accountability
- Insensitive communication.
- Concerns for health and wellbeing
- Feeling "ripped off"

* Name changed