



17 May 2015

**SUBMISSION ON QCA FURTHER CONSULTATION PAPER ON  
REGULATED RETAIL ELECTRICITY PRICES FOR 2015-16**

**BACKGROUND**

The Queensland Consumers' Association (the Association) is a non-profit organisation which exists to advance the interests of Queensland consumers. The Association's members work in a voluntary capacity and specialise in particular policy areas, including energy. The Association is a member of the Consumers' Federation of Australia, the peak body for Australian consumer groups and is represented on the Queensland Competition Authority's Consumer Consultative Committee and the Energy and Water Queensland Ombudsman's Advisory Council. The Association is also a member of the Queensland Council of Social Service's Essential Services Consultative Group.

The Association welcomes the opportunity to make this submission.

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**GENERAL COMMENTS**

This submission only addresses issues that have a direct impact on residential customers.

Also, it only addresses new issues raised in the further consultation paper. Our views on other matters, such as headroom, retail margin and CARC, indicated in our previous submissions are unchanged.

**SPECIFIC COMMENTS**

**Use of Energex network tariffs**

As indicated in our previous submissions, we believe that the 2015-16 determination of retail prices in Queensland should continue with the approach taken in previous determinations, when the regulated prices have applied to the entire state, of using Energex network tariffs for the setting of **all** regulated tariffs for household consumers i.e. flat rate, controlled load and time of use tariffs.

We take this position primarily because it best fits with the existing Uniform Tariff Policy (UTP) and consider that the approach should not be changed until the outcome of any review of the UTP is known.

We recognise that our position would not allow Ergon Energy to introduce a voluntary regulated Seasonal Time of Use Demand (STOUD) tariff in 2015-16. However, we consider that this will allow more time for consideration of:

- how this can/should be incorporated into a regulated tariff.
- developments in, and clarification of, the UTP.
- how the STOUD tariff might relate to Energex's plans for TOU tariffs.
- operations and policies after Energex and Ergon Energy are merged.

- the development of retail competition in the Ergon Energy area (including the amount and allocation of any CSO payments).

Ergon Energy not proceeding with its voluntary STOUT tariff in 2015-16 would not have major negative impacts on it or its residential customers and it is still possible for Ergon Energy to trial a STOUT tariff with volunteer customers as a separate exercise unrelated to the setting of regulated tariffs.

**Estimation of impacts of new regulated prices on customer bills**

More information should be provided in the final decision and in associated fact sheets and media releases about the impact of new regulated prices on the bills of household consumers with a range of consumption levels and for households with and without load control tariffs.

The latter is particularly important because load control tariffs account for a significant proportion of the total power bill of many households and there have been, and are likely to be, substantial differences in the changes to these tariffs and to Tariff 11.