

# **Submission to the Queensland Competition Authority Draft Determination On Regulated Retail Electricity Prices for 2016-2017**

## **On behalf of the Cairns and District Branch of Australians in Retirement also known as AIR**

**What a mess you have created with this draft electricity tariffs change in Queensland**

**We understand your QCA functions include “to conduct price monitoring investigations in relation to monopoly business activities --- “and in regard to the electricity industry you have classified ‘ERGON ‘as a monopoly and therefore subjected it to your tariff investigation and report. That classification of a ‘monopoly’ should now be challenged in light of the outcome of the State Government decision in July 2016 to surrender more of the state powers on electricity to AER that has allowed AER to issue licences to private corporations to contract with property owners in Queensland to install rooftop PV s and meters such that the property owner is contracted to pay the electricity charges set under the SPPA for the electricity generated on their property to the PV company.- not ERGON..**

**It appears you have no legal obligation to consult with the regional electricity consumers in Queensland on your findings and recommendations but you have obligations to seek submissions. So we can assume you came to Cairns not to consult or listen to the people who attended your public meeting but to protect your Authority in reporting to the Minister i.e. you can tell him without the risk of challenge you held public meetings and sought/received submissions. Your Cairns meeting was attended by only 6 people who were told at the meeting that QCA have a formula they have to apply in determining the electricity tariffs and the meeting is not open to discussion on this determination process or QCA findings. You deliberately blocked any related discussion on QCA and QPC even though both GOCs have State Government delegated roles and are running reporting commitments concurrently on the electricity industry and there is some overlap. The people present were told that QPC and QCA are two separate identities and discussion was only to be on QCA matters You obviously had no intention to respond to general questions and your responses were belittling and unprofessional.**

**Our understanding of your recommendations on electricity tariffs are:**

**For tariff 11 the fixed charge has been reduced from 106.73 cents per day to 89.55 cents/day a saving of \$62 per year. When one of those present asked re the cost of meter reading the QCA representative claimed they have no say on that. We have no doubt there will be an increase to cover the drop in fixed charges. The variable charge (cents/kWh) has gone up 7%. By our calculations this charge will increase by \$66 for someone using 4000kWh per year.**

**For tariff 20, small businesses can expect an increase of \$197 or 9.3 per cent in their annual bill. Typical small business customers on the seasonal time-of-use tariff (tariff 22A) can expect an increase of \$569 or 13.6 per cent.**

**We don’t know how many more increases and false consultation expeditions it will take before electricity consumers will realise that QCA under direction of the Queensland Government are ripping them off and that these consumers have the power in their voting to bring change..**

**What the people and industry of Queensland want is affordable and reliable electricity supply and QCA has done nothing to facilitate this.**

**We believe you have not complied with your obligations under the “Queensland Competition Authority Act” in that you have not given regard to:**

**. the social welfare and equity considerations and**

**. economic and regional development issues, including employment and investment growth.**

**and therefore you will be in breach of your legal obligations if you proceed with these tariff changes.**

**Phil Pollard and Des Reppel**