



Minister for Main Roads, Road Safety and Ports  
Minister for Energy and Water Supply

Our Reference: CTS 00990/16

QLD COMPETITION AUTHORITY

- 4 MAR 2016

DATE RECEIVED

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29 FEB 2016

Professor Roy Green  
Chair  
Queensland Competition Authority  
Level 27, 145 Ann Street  
BRISBANE QLD 4000

Dear Professor <sup>Roy,</sup> Green

I am writing to direct the Queensland Competition Authority (QCA) under section 93 of the *Electricity Act 1994* to decide the feed-in tariff (FiT) rate for the 2016–17 tariff year.

I attach my direction and the associated Terms of Reference (ToR) which impose conditions on the Authority when undertaking this function. The ToR for deciding the FiT rate closely reflect those provided to the Authority for the 2014–15 and 2015–16 tariff years. Given that the methodology and approach for deciding the FiT are unchanged, no public consultation is required in deciding the 2016–17 FiT.

Consistent with the ToR, the FiT is to apply from 1 July 2016 to 30 June 2017. Under section 94 of the *Electricity Act 1994*, the QCA must announce the FiT rate and publish it by gazette notice by 31 May 2016.

I note the Queensland Productivity Commission is currently re-examining a fair price for solar energy, with public consultation underway. The setting of a regional FiT for 2016–17 will ensure that customers in regional Queensland remain able to access a FiT while the fair price inquiry is considered and completed by the Government.

Mr Tim Quirey, Director, Strategic Futures in my department will be pleased to assist with any questions about this direction and can be contacted on (07) 3199 4976.

Yours sincerely

Mark Bailey MP  
**Minister for Main Roads, Road Safety and Ports and  
Minister for Energy and Water Supply**

Att: Section 93 Direction and Terms of Reference

**ELECTRICITY ACT 1994**  
**Section 93**

As the Minister for Energy and Water Supply, pursuant to section 93 of the *Electricity Act 1994 (the Act)*, I hereby direct the Queensland Competition Authority (the Authority) to decide the feed-in tariff for the 2016-17 tariff year.

The following are the Terms of Reference pertaining to this direction.

**Terms of Reference**

**Matters to consider**

In accordance with section 93(3) of the Act, in deciding the feed-in tariff the QCA must consider:

1. the effect of the feed-in tariff on competition in the Queensland retail electricity market;
2. the matters described below:
  - The feed-in tariff should be decided using the general methodology applied for the 2014-15 and 2015-16 tariff years;
  - The arrangements in place for Origin Energy to provide retailer services to Queensland customers connected to the Essential Energy supply network in southern Queensland; and
  - Any other matter the Authority considers relevant.

**Application of the feed-in tariff**

The feed-in tariff is to apply for the period 1 July 2016 to 30 June 2017.

**Consultation**

Given that the QCA is required to apply the same methodology to decide the feed-in tariff rate as was applied for 2014-15 and 2015-16 tariff years, no public consultation is required to decide the 2016-17 feed-in tariff.

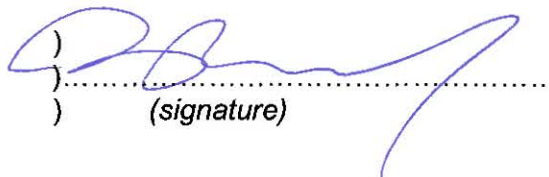
**Timing**

The QCA is to decide the feed-in tariff and, in accordance with section 94 of the Act, announce the feed-in tariff on the QCA website and publish the feed-in tariff via gazette notice no later than 31 May 2016.

**DATED** this

*February*  
*25<sup>th</sup>* day of January 2016

**SIGNED** by the Honourable  
Mark Bailey  
Minister for Energy, Biofuels and Water Supply

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