

Why is the QCA setting prices?

The Minister for Natural Resources, Mines and Energy, the Hon Anthony Lynham MP, has delegated the task of setting prices to the QCA.

How does the QCA set prices?

The QCA is required to set prices in accordance with the requirements of the Electricity Act and the Minister's delegation.

The QCA uses a cost build-up methodology to set the prices. Consistent with that methodology, the QCA's final determination is based on network charges regulated by the Australian Energy Regulator and the latest information from competitive wholesale electricity markets.

Who can access regulated small business electricity prices?

Only small businesses located in regional Queensland can access the regulated electricity prices (i.e. notified prices).



Does the QCA consider affordability when setting electricity prices?

Under the Queensland Government's Uniform Tariff Policy, the QCA sets prices for small regional customers based on electricity supply costs in South East Queensland. Therefore, most residential and small business regional customers pay electricity prices that are significantly below the cost of supplying them with electricity. The Queensland Government subsidises regional electricity prices in excess of \$400m each year.

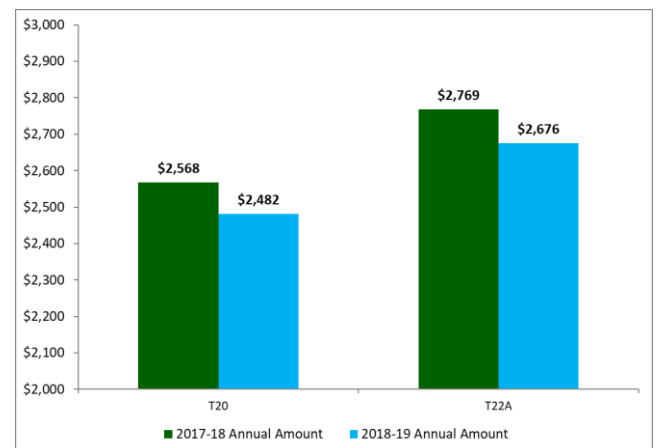
Why will regulated prices change between 2017–18 and 2018–19?

The largest drivers of changes to regulated electricity prices for 2018–19 are network costs and Renewable Energy Target (RET) related costs.

For most tariffs and customers, network costs have declined. Wholesale energy costs have also declined for most customers. These decreases in network and wholesale energy costs have been partially offset by higher RET related costs.

How will the final determination affect small business customers?

The impact of 2018–19 regulated prices will depend on the tariff or tariffs you are on, as well as your electricity consumption. A typical small business on the main small business tariff 20 will pay \$2,482 on its 2018–19 annual bill—a 3.4% decrease from the 2017–18 annual bill of \$2,568. For a typical customer on tariff 22A, the decrease will also be 3.4%.



Where can I find out more?

Our website has more information—visit www.qca.org.au