

Residential electricity prices for regional Queensland, 2018–19 — final determination

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.

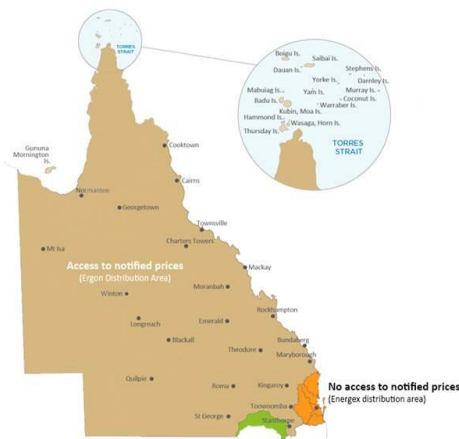
How does the QCA set prices?

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 notified residential electricity prices?

Only residents who live in regional Queensland can access notified electricity prices.



Does the QCA consider affordability when setting electricity prices?

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

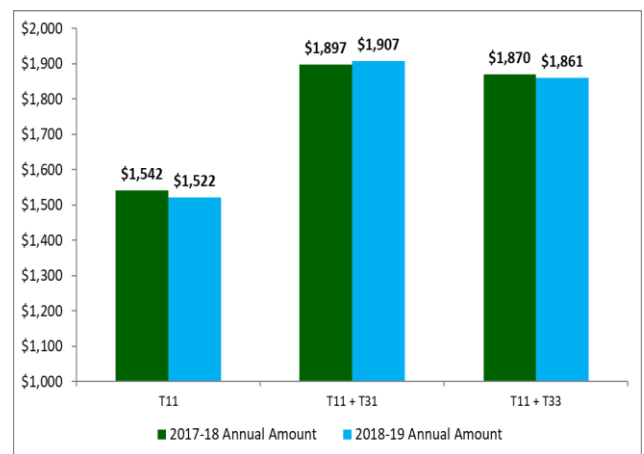
Why will regulated prices change between 2017–18 and 2018–19?

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 residential customers?

The impact of 2018–19 regulated prices will depend on the tariff or tariffs you are on, as well as your electricity consumption. The total 2018–19 bill for a typical household on the main residential tariff (tariff 11) will be \$1,522—a 1.3% decrease from the 2017–18 bill of \$1,542. A typical customer on a combination of tariff 11 and controlled load tariff 31 will face a bill increase of 0.6%. A typical customer on a combination of tariff 11 and controlled load tariff 33 will see a bill decrease of 0.5%.



Where can I find out more?

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