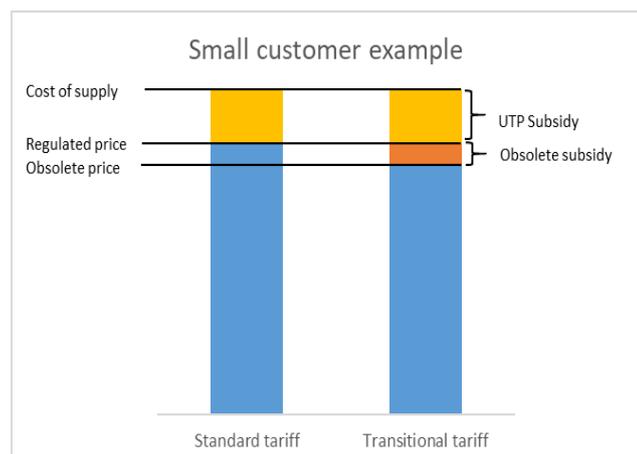


Regulated electricity prices for regional Queensland customers on transitional and obsolete tariffs for 2019–20 — final determination

What are transitional and obsolete tariffs?

Some business customers, including farmers and irrigators, are supplied under transitional or obsolete tariffs (i.e. tariffs 20 (large), 21, 22 (small and large), 37, 47, 48, 62, 65 and 66). These are legacy retail tariffs, which do not reflect the costs of supply faced by retailers. The majority of these tariffs will be retained until 2020 (tariffs 47 and 48 will be retained until 2022) to allow customers to adapt their business operations to the standard business tariffs, under which other regional businesses already operate. For some customers on transitional and obsolete tariffs, particularly those with high usage levels, their electricity costs are subsidised to a greater extent than other regional business customers.



How are transitional and obsolete tariff prices expected to change in 2019–20?

The QCA has decided to freeze all transitional and obsolete tariffs at their 2018–19 levels.

What are the proposed arrangements for transitional and obsolete tariffs in the 2019–20 final determination?

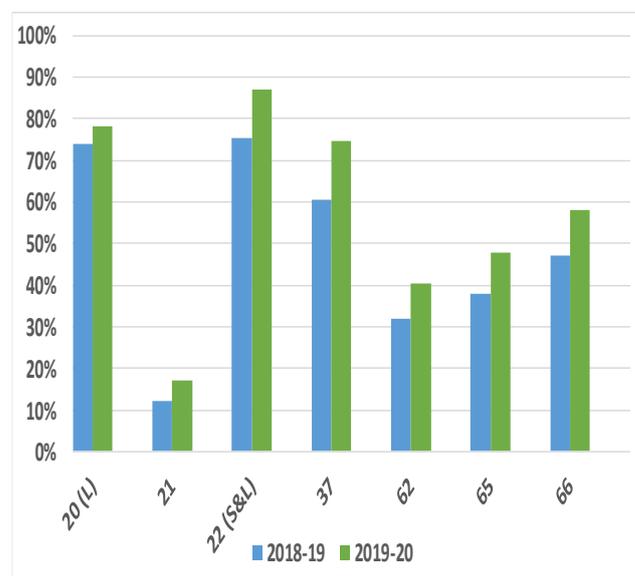
The QCA’s final decision is to maintain existing time periods for these tariffs, and allow existing customers to remain on their current tariff until 30 June 2020, but close tariffs to new customers. Businesses will have had up to seven years to prepare for the transition to standard business tariffs, which other regional businesses already face. This means that tariffs 20 (large), 21, 22 (small and large), 37, 62, 65 and 66 will

expire on 30 June 2020, and tariffs 47 and 48 will expire on 30 June 2022.

What happens to customers on transitional and obsolete tariffs in 2020?

On 1 July 2020, any customers still on tariffs 20 (large), 21, 22 (small and large), 37, 62, 65 and 66 would be moved to a standard business tariff that best reflects their consumption profile. Tariffs 47 and 48 would expire on 30 June 2022.

Analysis from Ergon Retail shows that for many customers this will not increase their electricity bills.



In fact, a significant number of customers on transitional tariffs can save money by switching to standard business tariffs and continuing to operate their business as usual.

Ergon Retail has established a service available to all customers called Energy Analysis, which analyses individual electricity bills and compares them with equivalent bills under different electricity tariffs. We strongly encourage customers on transitional and obsolete tariffs to use this service.

Where can I find more information?

You can find out more on our website: <http://www.qca.org.au>.

Energy Analysis:

<https://myaccount.ergon.com.au/registration-form.html> or 1300 554 029.