

Office of the

## Minister for Energy and Water Supply

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OLD COMPETITION AUTHORITY

1 9 APR 2013

DATE RECEIVED

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3 April 2013

Dr Malcolm Roberts
Chairman
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

## Dear Dr Roberts

As you are aware, the Queensland Government committed to stating the cost impacts of the Commonwealth Government's carbon tax and Renewable Energy Target (RET) scheme on household electricity bills.

Since 1 July 2012 electricity retailers have been required to include a prescribed statement on household electricity bills detailing the estimated carbon tax impacts on retail electricity costs.

From 1 July 2013, the prescribed statement will be amended to require electricity retailers to display an annual dollar figure estimate of the cost impacts of the carbon price and RET scheme on a "typical" household bill.

To facilitate the amendment of the prescribed statement in the Electricity Regulation 2006, I direct the Queensland Competition Authority (QCA) under section 253AA of the *Electricity Act* 1994, as part of its annual determination of notified prices to advise government of the amount the carbon price and RET scheme contribute to the annual retail electricity costs of a typical household. Carbon and RET costs should be characterised as a single dollar figure estimate, for example consumption levels for Tariffs 11, 31 and 33. Household consumption should be characterised in megawatt hours.

I would appreciate the requested advice be provided to me at the time the QCA makes its final determination on 2013—14 notified prices. In the meantime, officers of my department will liaise with officers of the QCA about the wording of the statement once finalised.

Should you require anything further, please contact for Benn Barr, A/Deputy Director-General, Energy, on 3239 0039 or benn.barr@dews.qld.gov.au

Yours sincerely

Mark McArdle MP

Minister for Energy and Water Supply