

# **Regulated retail electricity prices 2026-27**

## **Information booklet**

**Draft determination  
March 2026**

# Summary

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The Treasurer, Minister for Energy and Minister for Home Ownership (the Minister) asked us to set notified prices for regional Queensland in 2026–27. This information booklet summarises key aspects of our draft determination, which is available on our [website](#).

## Key takeaways

- Residential and small business customers are expected to see a decrease in their electricity bills, including those customers with load control tariffs. While there are changes in underlying costs, the decrease is largely driven by lower draft default market offers (DMOs) for south east Queensland (SEQ), which cap notified prices.
- Large customers are expected to see an increase in their electricity bills – largely due to an increase in network costs, which is only partially offset by a decrease in energy costs.
- Draft prices will be updated in the final determination to reflect updated information and stakeholder feedback, as well as the final DMOs for SEQ.
- We applied the same framework used in previous reviews, considering factors outlined in the Electricity Act and in the Minister’s delegation, including:
  - the network plus retail (N+R) cost build-up methodology, which includes regulated network costs (N component) and estimated energy and retail costs (R component)
  - the Queensland Government's uniform tariff policy (UTP), which means we set notified prices below actual supply costs for most customers.



We have an [online bill estimator tool](#) for residential and small business customers. It estimates the bill impact changes using draft notified prices, your own consumption and any solar exports.

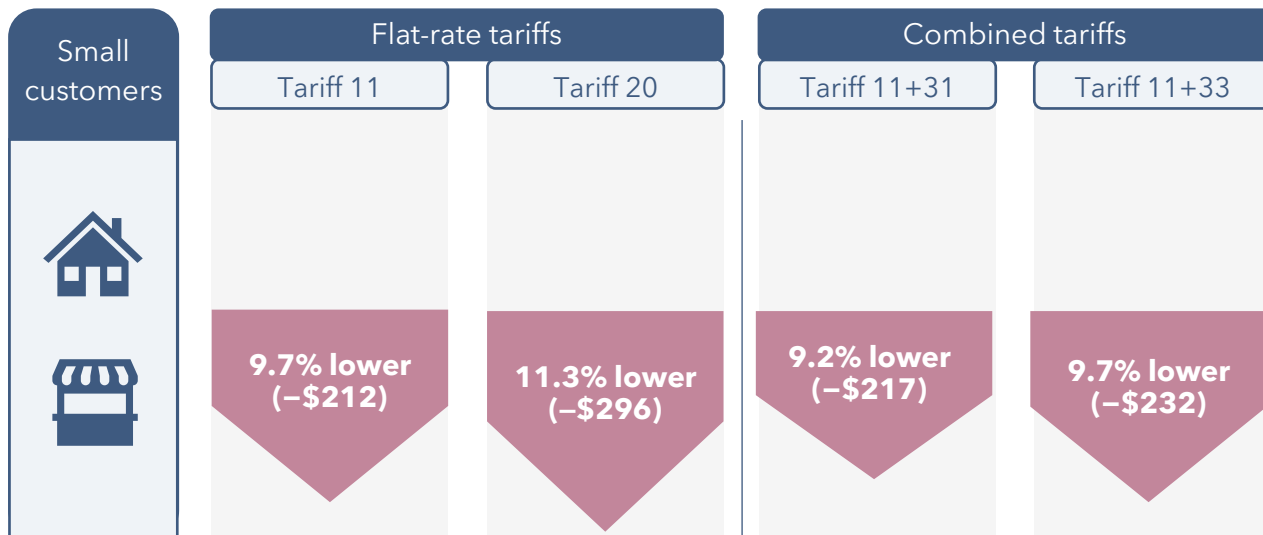


## Submissions

We invite stakeholders to make submissions by **1 May 2026**.

# Prices forecast in 2026–27

## Change in annual bills for typical customers (compared to 2025–26)

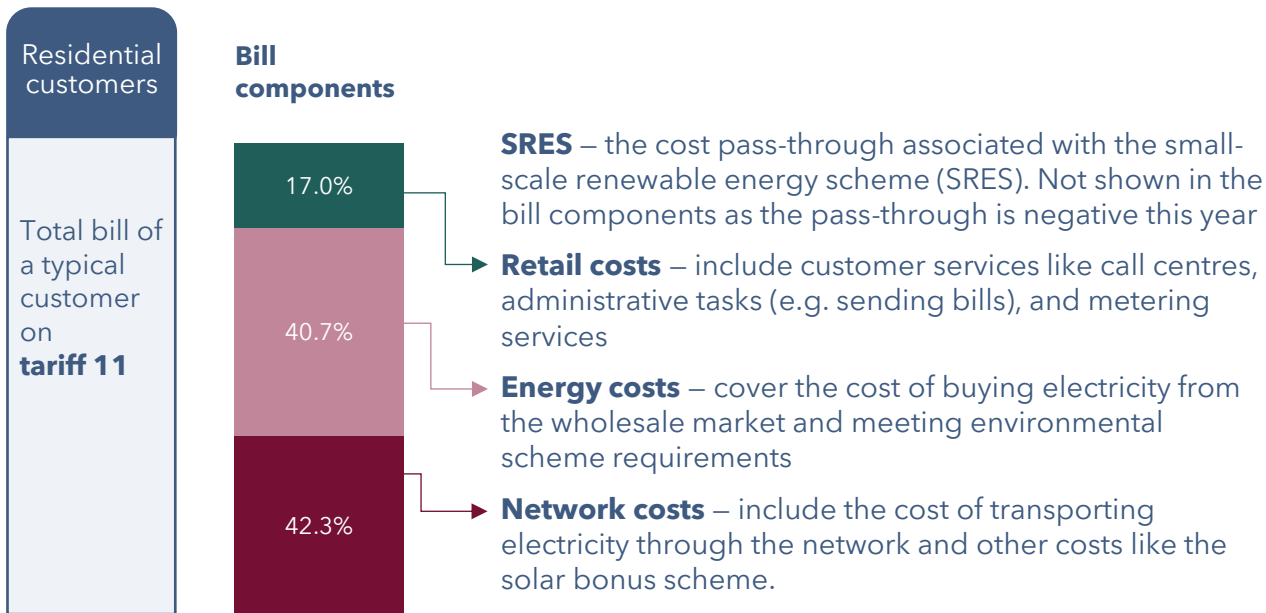


**!** A customer's actual bill will vary based on their electricity consumption and the application of any government rebates or concessions they receive.

Notes: Bills are calculated based on 2026–27 median usage data for each tariff and include GST. Bill values have been rounded to the nearest dollar.

# Cost components of an electricity bill

Individual cost components included in the build-up of notified prices.

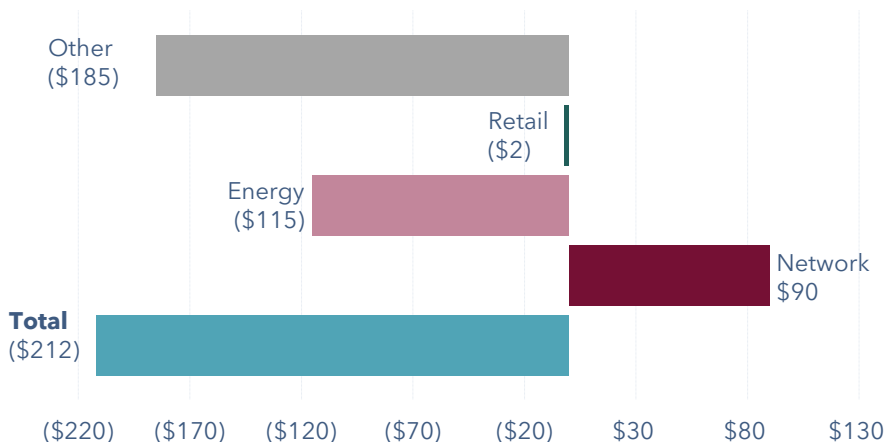


Note: Actual SRES costs were less than last year's estimate, resulting in a negative pass-through (not shown).

The annual bill is expected to decrease for residential customers.

## Change in cost components (2025-26 to 2026-27)

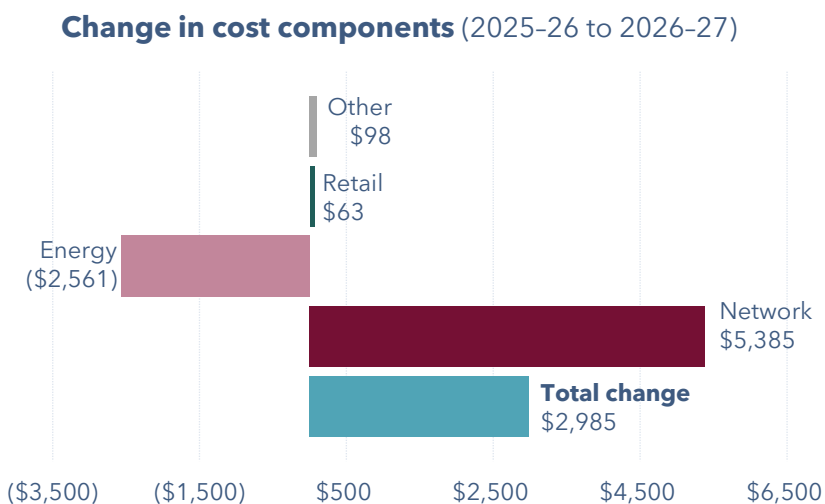
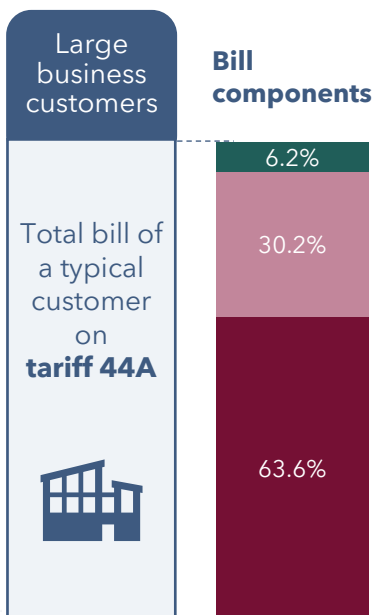
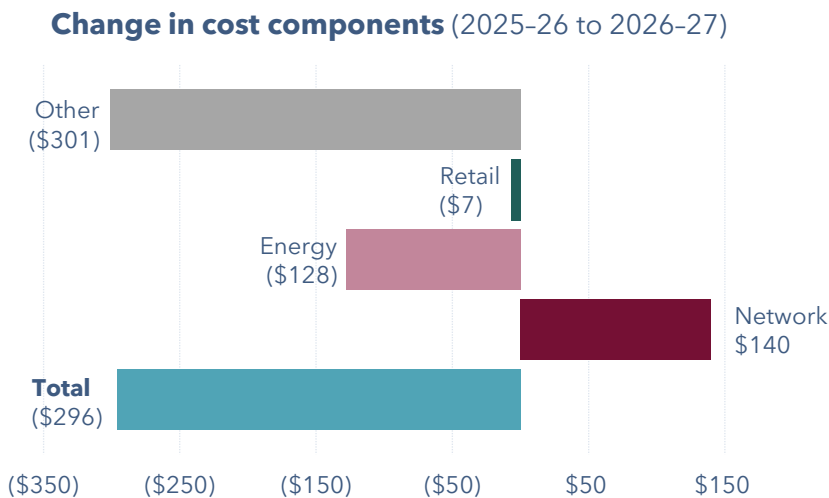
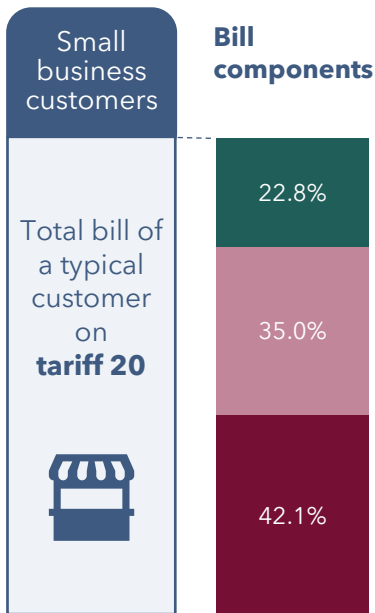
The UTP enables us to set notified prices lower than the actual costs of supply for most customers (see page 6).



Note: The bill for tariff 11 (residential flat-rate) is used in the example above. Amounts have been rounded. The decrease in other costs reflects the application of a -5.62% SOA this year, compared with 3.35% last year. Customers should be aware that their actual bill will vary depending on their electricity consumption and any government rebates or concessions they receive.

# Cost components (continued)

The annual bill is expected to decrease for small business customers but increase for large customers.



Notes: The bills for tariffs 20 and 44A are used in the examples above. Amounts have been rounded. The decrease in other costs for tariff 20 reflects the application of a -13.87% SOA this year, compared with -2.58% last year. Customers should note that their actual bill will vary depending on their electricity consumption and any government rebates or concessions they receive.

# Reasons for the changes in costs



## Energy costs have decreased for all customers

We estimate wholesale energy costs using a market hedging approach. This approach is based on an efficient retailer that buys energy from the spot market and uses ASX Energy contracts to protect against price changes. We also estimate other energy costs that retailers incur, including various fees and costs associated with energy losses.

Energy costs have decreased for both small and large customers. Wholesale energy costs have decreased due to lower wholesale electricity spot prices in 2025, reflecting higher availability of Queensland coal generators, lower gas prices, and continued uptake of battery energy storage systems and renewable generation. Other energy costs have also decreased for both small and large customers.

Updated market data will be used for our final determination.



## Retail costs have decreased slightly for most customers

We set retail cost allowances using an established benchmark, adjusted for inflation.

Advanced digital meter (ADM) costs are included in the retail cost component based on the expected rollout of ADMs in regional Queensland. There is a slight reduction in these costs.

While retail costs have been adjusted for inflation, retail costs for small, and some large, customers have decreased slightly mainly due to changes in other cost components (network and energy), which affects variable retail costs.



## Network costs have increased for most customers

Network costs are set by the AER, and we include these costs in notified prices.

Based on Ergon Energy Network and Energex's draft network prices, network costs are expected to increase for most customers. We plan to use the AER-approved network prices for our final determination.



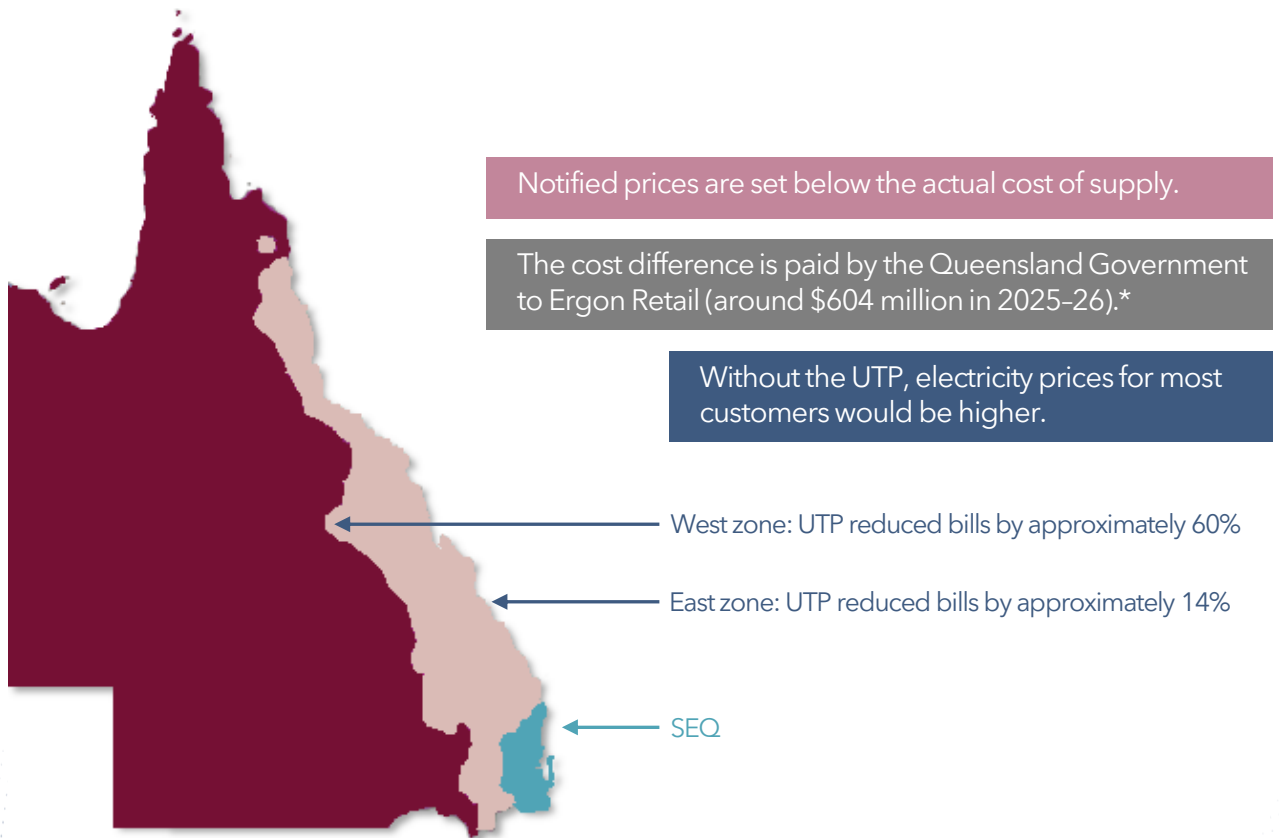
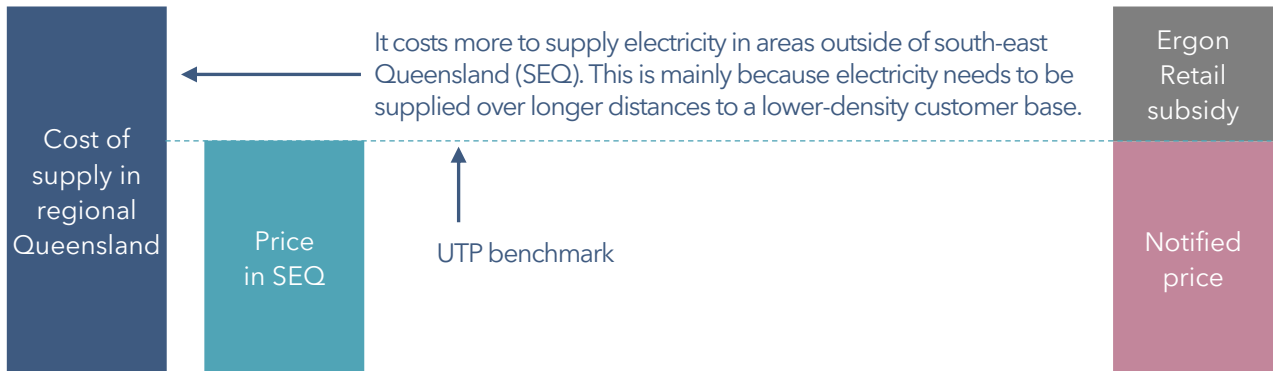
## Other costs have decreased for small customers but increased for large customers

Other costs include those for renewable energy schemes and, for small customers also include the standing offer adjustment (see page 7).

# Uniform tariff policy lowers prices

The UTP helps make electricity more affordable for customers in regional Queensland.

Notified prices are set lower than the costs of supply for most customers in regional Queensland.



\* Expected amount, which includes isolated systems.

# Notified prices compared to SEQ prices

This year, all small customer notified prices have been capped by the draft DMO.

We consider market data to include a standing offer adjustment (SOA) in small customer notified prices. This reflects the value of more favourable terms and conditions contained in standard contracts, compared to market contracts.

For consistency with the UTP, the delegation requires us to treat the AER's SEQ DMOs as a cap and to reduce the SOA (if necessary) to achieve this.

## 1 Standing offer adjustment (SOA)

We calculated a SOA of 3.09% for small customers to reflect the value of more favourable terms and conditions in standard contracts relative to market contracts. This is based on an assessment of additional fees that SEQ customers on market contracts could incur (on top of their annual bill), which customers on standard contracts would not.

## 2 DMO comparison

To enable a comparison of the SEQ DMOs with notified prices, we:

- converted the relevant DMO prices for SEQ into reference bills.
- made adjustments to enable a like-for-like comparison between the relevant notified price bills and the DMO for SEQ.\*
- compared the relevant DMO reference bills with bills (using tariff rates and consumption levels published by the AER) with notified prices bills, including a SOA of 3.09%.

Notified  
price bill  
including SOA



DMOs in  
SEQ

## 3 SOA reduction for residential, small business and secondary load control customers

As a result of the DMO comparison, all notified price bills exceeded the DMO reference bills.

Accordingly, we reduced the SOA from 3.09% to:

- -5.62% for residential customer tariffs
- -13.87% for small business customer tariffs
- -2.13% for secondary load control tariffs.

We applied the reduced SOA to other tariffs within each customer class to maintain price relativity across the tariffs, resulting in lower bills for residential and small business customers in regional Queensland.

\* Including adjustments to notified prices to account for differences in the treatment of GST and consumption levels.

# Potential new retail tariffs

The delegation requires us to consider new retail tariffs. Some are intended to be introduced in 2026-27, while others may be introduced in a future price determination.

## Potential new retail tariffs for 2026-27

### **'Solar soaker' time-of-use (TOU) tariff for large customers**

- This tariff has stronger price differences between peak and non-peak usage periods (compared to other TOU tariffs) to encourage customers to shift consumption away from peak periods. This tariff is based on an existing network tariff, but with time-varying wholesale energy costs to create those stronger price differences.
- We propose to use the underlying network tariff for tariff 50B as the basis for this tariff. This means the new tariff will have TOU usage charges, TOU demand charges and a daily supply charge. The new tariff will be designated tariff 50C.

### **Ergon Energy Retail's proposed electric vehicle (EV) tariff**

- Ergon Energy Retail submitted an EV tariff proposal and asked us to create the tariff as part of notified prices. The proposal is described in chapter 3 of the main report. We welcome stakeholder submissions on the proposal.
- When assessing the tariff, we must consider matters set out in the *Electricity Act* and the criteria specified in the delegation. We are still assessing the proposal and intend to set out our assessment in the final determination.

### **Dynamic flex storage tariffs**

- These tariffs allow customers to import electricity from the network for the purpose of storing and exporting it back to the network at a later time (available to the large customer and connection asset customer classes).
- While these tariffs exist at the network level, we propose not to introduce them in notified prices for 2026-27 due to the low expected uptake at this time.

## Potential new retail tariffs for future price determination

### **TOU tariff for residential customers that includes a zero-cost electricity period**

- We intend to provide our analysis of issues that may be relevant when introducing a tariff of this nature in regional Queensland as part of our final determination. This will enable us to consider the solar sharer offer that is being introduced in SEQ as part of the AER's DMO.

### **Tariff to assist small business customers to transition to large customer tariffs**

- We have outlined issues for stakeholder feedback that may help inform the policy development for a tariff of this nature.

# Expiring tariffs

The delegation requires us to consider whether the expiry date for obsolete retail tariffs should be extended.

- Obsolete tariffs cannot be accessed by new customers or those customers that have already switched to another tariff. The obsolete tariffs are scheduled to expire on 30 June 2026.
- Most of these tariffs were made obsolete last year due to network tariff reforms. We propose not to extend the scheduled expiry date for these tariffs. We consider affected customers have had sufficient time to consider their tariff options and transition to another tariff available to them.
- Affected customers should contact their retailer to ensure they switch to their preferred tariff that is available to them.

## Obsolete tariffs scheduled to expire on 30 June 2026

Small business tariffs	Large customer tariffs
Tariff 22B (TOU inclining-band tariff)	Tariff 44 (demand (small threshold) tariff)
Tariff 22C (TOU inclining-band tariff) (solar soaker tariff variant)	Tariff 45 (demand (medium threshold) tariff)
Tariff 24A (TOU demand tariff)	Tariff 46 (demand (large threshold) tariff)
Tariff 62A (limited access obsolete TOU declining-block tariff)	Tariff 50 (seasonal TOU demand tariff)
Tariff 65A (limited access obsolete TOU tariff)	Tariff 50A (TOU demand tariff)
Tariff 66A (limited access obsolete fixed dual-rate demand tariff)	Tariff 52A (seasonal TOU demand tariff for CAC supplied at 33 or 66 kV)
	Tariff 52B (seasonal TOU demand tariff for CAC supplied on an 11 or 22 kV bus)
	Tariff 52C (seasonal TOU demand tariff for CAC supplied on an 11 or 22 kV line)

# Next steps

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## Draft determination

We have published our draft determination, which is available on our [website](#).



## Information sessions

We will hold information sessions on our draft determination in April 2026.

Details on the sessions, including the timing and how to register, are available on our [website](#).

Subscribe to our [email alerts](#) to stay updated on the latest developments.



## Submissions

Public involvement is a key part of our decision-making process. We invite stakeholders to submit written comments on issues raised in the draft, or any other matters related to our price determination.

Submissions are due by **1 May 2026**. Information on how to make a submission can be found in our draft report and on our [website](#).



## Final determination

We will make a final determination by 5 June 2026.

The notified prices will apply from 1 July 2026.