



13 February 2026

Mr Charles Millstead
Chief Executive Officer
Queensland Competition Authority
GPO Box 2257,
Brisbane Qld 4001

Web address: www.qca.org.au/submissions/

Dear Mr Millstead,

RE: QCA REGULATED RETAIL ELECTRICITY PRICES 2026-27

Origin Energy (Origin) appreciates the opportunity to provide a submission to the Queensland Competition Authority (QCA) Regulated retail electricity prices 2026–27 - Interim consultation paper.

The Minister has requested the QCA to consider the suitability of establishing a regulated zero-cost electricity period (ZCEP) offer for residential electricity customers.

Origin supports efforts to improve affordability and equity throughout the energy transition, particularly for low-income households and renters. Encouraging energy use during relatively low demand periods can help customers realise cost savings while also supporting efficient market operations.

However, we do not support the introduction of a regulated ZCEP tariff. A key feature of ZCEP products is that they have higher off-peak charges to recover costs for the energy supplied in the “free” window and often cap free usage. As a result, customers who are unable to shift sufficient load (typically low-income households) are more likely to be worse off than if they moved to a flat offer. Furthermore, there are already market driven initiatives aligned with encouraging energy use during relatively low demand periods including customer participation in virtual power plants, community batteries and various retailer offerings such as solar soaker.

Introducing a ZCEP tariff carries the risk of unintended consequences for low-income households - the very group this policy aims to benefit - as well as for the broader market. Energy is not costless, regardless of what time of the day it is delivered. Even during periods of low demand or excess supply, retailers incur wholesale, network and retail operating costs. To ensure the market functions effectively and efficiently, retailers must be able to recover the costs they incur in providing energy during the designated zero-cost period.

To address the risk of cost under-recovery, a ZCEP tariff would need to be designed to ensure retailers recover the costs incurred in providing energy in the zero-cost period in the tariff that applies over the remainder of the day. To identify these costs, it will be necessary to undertake detailed analysis and modelling to develop robust forecasts of the likely uptake of the ZCEP tariff in terms of both customer numbers and the shifting of load into the zero-cost period.

Customers who can consistently shift load into the zero-cost period will likely be better off because their savings will outweigh the required tariff increase in the non-free period. In our experience, these are likely to be high-income households with flexible load, smart appliances, and batteries. Conversely, lower-income households or customers who rent tend to have less discretionary load. As a result, they are less likely to be able to shift enough load into the free period to offset the higher tariffs in the non-free period.

If you have any questions regarding this submission, please contact Gary Davies in the first instance at gary.davies@originenergy.com.au.

Yours sincerely



Steve Reid
General Manager, Regulatory Policy