

### How does the QCA set prices?

The Minister for Energy, Biofuels and Water Supply, the Hon Mark Bailey, MP, delegates the task of setting prices to the QCA. Under the Queensland Government's uniform tariff policy, the QCA sets regional large customer prices based on the lowest costs of supply in regional Queensland.

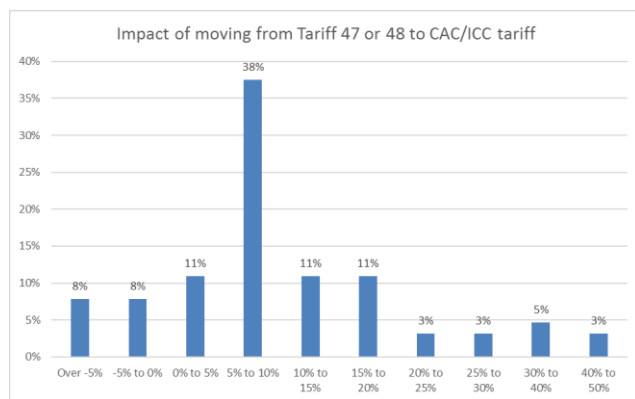
### High voltage business customer tariffs are changing

At present around 65 customers are supplied on tariffs 47 or 48. However, from 1 July 2017, Ergon Distribution will discontinue the network tariff the QCA used to set tariffs 47 and 48.

As a result, the QCA proposes to create new retail tariffs based on Ergon Distribution's Connection Asset Customer network tariffs. Customers currently on tariffs 47 and 48 will ultimately move to one of these new retail tariffs or an alternative large customer tariff.

You can find more information on the new tariffs on the next page.

Ergon Retail has calculated the potential bill impacts of changing to new tariffs for customers on tariffs 47 and 48 (see below). For the majority of those customers the bill impact is predicted to be 10% or less.



### What can I do?

Your business may be able to benefit from these new tariffs, or to significantly reduce their impact, by renegotiating aspects of your connection contract, such as authorised demand levels, or making changes to your business operations.

### Is there help available?

You should contact Ergon Retail to discuss how your business may be able to benefit from these tariffs, and what assistance may be available to help your business adapt.

### Will there be transitional arrangements for customers on tariffs 47 and 48?

Yes. We propose to allow existing customers to remain on tariffs 47 and 48 for 5 years to allow them time to adapt their contracts and business operations to the new tariff structures.

Like other transitional tariffs, tariffs 47 and 48 will be adjusted each year to reflect both the average change in the new standard business tariffs and to try and prevent the gap between these tariffs growing in dollar terms. As a result, based on the forecasts in our draft determination, tariffs 47 and 48 may increase by 2.6% and 5.2% respectively in 2017-18.

### How does the QCA's draft determination affect my business?

The draft price determination does not affect your electricity bills. Our draft determination is released to get feedback on proposed transitional arrangements and how we plan to calculate prices for 2017-18. While we provide indicative price estimates, these are based on information available at the time, and these prices will be updated for the final determination based on updated data and feedback from stakeholders.

### Why are electricity prices expected to increase?

The forecast increases in electricity prices are primarily due to increases in energy costs. However, these are being offset to some extent by falls in network costs.

### Where can I find out more information or make a submission?

You can find out more and make a submission on our website [www.qca.org.au](http://www.qca.org.au).

### Proposed new 2017-18 very large customer retail tariffs

Retail tariff	Fixed charge	Usage charge (peak)	Usage charge (flat/off-peak)	Connection Unit	Capacity (flat/off-peak)	Demand charge (flat/peak)	Excess Reactive Power charge
	c/day	c/kWh	c/kWh	\$/day/unit	\$/kVA of AD/mth	\$/kVA/mth	\$/excess kVAr/mth
Tariff 51A—over 4 GWh high voltage (CAC 66kV)	27922.301		12.922	10.620	5.561	2.862	4.454
Tariff 51B—over 4 GWh high voltage (CAC 33kV)	21491.576		12.922	10.620	6.803	4.837	4.454
Tariff 51C—over 4 GWh high voltage (CAC 22/11kV Bus)	20336.576		12.926	10.620	6.208	4.704	4.454
Tariff 51D—over 4 GWh high voltage (CAC 22/11kV Line)	19076.576		12.941	10.620	12.763	7.758	4.454
Tariff 52A—over 4 GWh high voltage (CAC STOU D 33/66kV) <sup>a</sup>	15611.576	12.365	12.811	10.620	6.320	12.248	4.454
Tariff 52B—over 4 GWh high voltage (CAC STOU D 22/11kV Bus) <sup>a</sup>	15611.576	12.370	12.815	10.620	5.207	44.093	4.454
Tariff 52C—over 4 GWh high voltage (CAC STOU D 22/11kV Line) <sup>a</sup>	15611.576	12.384	12.830	10.620	9.660	80.540	4.454
Tariff 53—over 40 GWh high voltage (ICC)	19076.576		12.941		12.763	7.758	4.454

*a. Peak demand is charged on maximum kVA demand during summer peak demand window times (weekdays between 10:00 am to 8:00 pm in December, January and February). Off-peak capacity is charged on the greater of either the customer's kVA authorised demand or the actual monthly half-hour maximum kVA demand. The actual monthly maximum demand is measured all year excluding summer peak demand window times (all year excluding weekdays between 10:00 am to 8:00 pm in December, January and February). Peak usage is charged on all usage in Summer months (December, January and February). Off-peak usage is charged on all usage during non-summer months (March to November).*