

Queensland
Competition
Authority

Annual Report 2023-24

The Queensland Competition Authority acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and recognises their culture, history, diversity and their deep connection to the land, waters and seas of Queensland and the Torres Strait.

We acknowledge the traditional custodians of the lands on which we operate and wish to pay our respects to their Elders past, present and emerging.

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Highlights

The body of work we completed this year includes:

- a final determination on regulated retail electricity prices in regional Queensland for 2024-25 **16**
- an annual market monitoring report of the south-east Queensland retail electricity market **17**
- a final determination on solar feed-in tariffs in regional Queensland for 2024-25 **17**
- a draft report on the rural irrigation price review for 2025-29 **18**
- a final position paper on the climate change related expenditure review **21**
- a draft decision on the Queensland Rail 2025 draft access undertaking **20**
- the completion of two competitive neutrality investigations into state government activities and recommending that nine business activities of state government be subject to competitive neutrality **20**

About us

The Queensland Competition Authority (QCA) is an independent statutory body, established in 1997.

Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements.

Economic context

We regulate the market behaviour of a number of monopoly businesses in Queensland.

Our role is to prevent the misuse of market power that may arise from a lack of competition.

In a competitive market, a business is constrained by its competitors in the prices it can charge for goods or services. If the price it charges is too high, consumers are likely to buy from a competitor at a lower price. Alternatively, if the business is the only supplier and charges too much, a competitor will likely enter the market offering a lower, but still profitable, price.

However, it is not always possible or sensible to have competition in industries, including many essential services, that require large-scale infrastructure investment. This is because there may only be one possible supplier (e.g. there may be only one possible site for a dam) or it may not be economic to have more than one supplier (e.g. the costs of constructing a new electricity distribution system would simply outweigh the benefits from having competing networks).

In these cases, there may be limited, if any, competitive forces to constrain the behaviour of the business, especially in the provision of energy, transportation or water.

We also promote the principle of competitive neutrality—so that public sector businesses compete with private sector businesses on an equal basis and do not have a competitive advantage just because they are government-owned.

Responsibilities

The *Queensland Competition Authority Act 1997* (the QCA Act) is the primary legislation that guides our work.

Monopoly prices oversight

We use pricing and other regulatory arrangements, based on sound economic and commercial principles, to encourage monopoly businesses to operate responsibly in the absence of normal competitive market forces.

Prices oversight prevents monopoly businesses from misusing their market power by charging excessive prices for their products or services.

Where we oversee monopoly prices, consumers can be confident they are paying reasonable prices, while businesses can still earn a reasonable investment return – a beneficial outcome for all.

We may investigate the pricing practices of such monopolies or monitor their pricing practices, depending on the referral from the Treasurer. We only perform these functions on request from the Treasurer.

Third party access

Essential infrastructure that underpins economic activity should be accessible to all potential users.

We regulate third party access to essential infrastructure so as to support competition, by enabling competitors (i.e. 'third parties') to access infrastructure that cannot be economically duplicated. We oversee regimes relating to declared coal handling services provided by the Dalrymple Bay Coal Terminal and the tracks and associated below-rail infrastructure operated by Aurizon Network and Queensland Rail. These regimes help users negotiate with the owner on the terms and conditions for access.

By opening up access, competition in related markets may be enhanced.

Competitive neutrality

Competitive neutrality is the principle that a public sector business or agency should not have a competitive advantage (or disadvantage) over the private sector solely due to being government-owned. Public sector businesses should compete with private sector businesses on an equal (competitively neutral) basis.

We receive, investigate and report on complaints about the alleged failures of state government agencies and local government to comply with the principle of competitive neutrality as they carry out their business activities.

We advise government agencies about complying with the principle of competitive neutrality.

Ways in which public sector businesses can have competitive neutrality advantages over private sector businesses include:

- being exempt from taxes and charges
- having access to less expensive funds because of implicit or explicit government guarantees
- being exempt from complying with certain regulations and procedures.

General issues

Apart from the specific responsibilities outlined above, we have a range of general responsibilities. In particular, under section 10(e) of the QCA Act, Ministers can direct us to investigate and report on matters relating to competition and industry.

Responsibilities outside the QCA Act

Our main responsibility outside of the QCA Act is setting regulated electricity prices under the *Electricity Act 1994* (the Electricity Act) for regional Queensland (see page 16).

We also enforce customer protections under the Electricity Distribution Network Code and Gas Distribution Network Code.

Our board

Our board comprises four members, who are appointed by the Governor in Council, in accordance with the QCA Act. In appointing members, regard is given to their collective knowledge and understanding of commerce, economics, the responsibilities of the QCA, and the interests of consumers and other stakeholders. Board members are appointed for a term of not more than five years.

Professor Flavio Menezes

Chair

First appointed in April 2016; current appointment until September 2025

Flavio Menezes is a Professor of Economics and Director of the Australian Institute for Business and Economics at the University of Queensland (UQ). Flavio is also a member of the NDIA's Pricing Arrangement Reference Group. Professor Menezes was a member of the Expert Panel for the Special Disability Accommodation (NDIS) 2022-2023 price review. He was the president of the Economic Society of Australia (Queensland) from 2016 to 2018 and a member of the advisory board of the Federal Government's 2019-2020 Deregulation Taskforce.

He was Head of the School of Economics at UQ from 2009 to 2015, the chair of the Research Evaluation Committee for Economics and Commerce, Excellence of Research in Australia (ERA) in 2018, and a member of the same committee for ERA 2015. Professor Menezes was an elected member of UQ's Academic Board and of its Standing Committee from 2018 to 2021. Prior to joining UQ in 2006, he was a Professor of Economics and a Professor of Regulatory Economics at the Australian National University and the foundation director of the Australian Centre of Regulatory Economics. He was a Vice-President at Charles Rivers Associates International in Canberra from 2005-2006.

Professor Menezes is a fellow of the Academy of the Social Sciences in Australia. He is an associate editor of the Journal of Public Theory and was the co-editor of the Economics Record from 2016 to 2022. He has published extensively on the economics of auctions, competition and regulatory economics, industrial organisation and market design.

His experience includes advising the federal government, the AEMC, the ACCC, IPART and the ACT and Victorian governments on market design issues in regulatory environments. He has also provided economic advice to many private and public organisations on competition and regulatory issues in telecommunications, defence, fisheries, water, gambling, natural resources, electricity markets, dairy, smart cities, banking, aged care, the NDIS, early childhood education and childcare, health and transport.

Madeline Brennan KC

Deputy Chair

First appointed in April 2016; current appointment until September 2025

Madeline is a barrister with 25 years' experience as a member of the Queensland bar, as junior counsel (1996–2015) and senior counsel (November 2015).

In 2000, she was a founding member of Roma Mitchell Chambers in Brisbane.

Madeline has a broad practice, inclusive of consumer protection law, general civil litigation, general administrative law and family law. Madeline's practice currently includes appellate and trial advocacy and advisory work specialising in the areas of administrative law, and taxation and revenue law. Madeline has been involved in significant judicial review litigation (including mineral royalty disputes, review of decisions under the *Environmental Protection Biodiversity Act 1999* (Cth)), and in merits review of a broad range of Queensland state and federal government decisions.

Madeline has served on committees and boards of schools, hospitals and professional institutions. She served for eight years on the Human Research Ethics Committee of the Queensland Institute of Medical Research before her appointment to the QCA in 2016. She is a professional member of the Council of the Australian Institute of Judicial Administration.

Dr Warren Mundy FAICD FRAeS

Member

First appointed in June 2018; current appointment until September 2024

Warren is an advisor and company director who has been working with investors, regulators, providers, and users of a wide range of infrastructure services since 2003.

He was a commissioner at the Australian Productivity Commission from 2009 to 2015 and also served as the Australian Competitive Neutrality Commissioner. Warren recently completed an independent review of the National Legal Assistance Partnership for Australia's nine Attorneys-General.

At Airservices Australia, he served on the board for more than five years from 2008, including being the deputy chair for over four years. He was also a member of the Steering Committee for the joint NSW and Commonwealth governments' Sydney Aviation Strategy and continued to advise the Australian Government on Sydney's second airport until the creation of the company to build the airport. Warren has also held executive roles in airport companies in Australia and Europe.

Warren has been a director of VicForests, EISS Super, the Western Community Legal Centre, the National Health Co-operative, James Watt College of Higher and Further Education and the Airports Operators Association (United Kingdom), Transgrid and the Sydney Desalination Plant.

Dr Mundy is currently Special Advisor to the Australian Restructuring, Insolvency and Turnaround Association, Senior Advisor to Igneo Infrastructure Partners, a director of the Icon Water and an alternative director of Brisbane Airport Corporation.

Fiona Guthrie AM

Member

First appointed in January 2019; current appointment until September 2024

Fiona is the CEO of Way Forward a debt relief charity that provides free support to people to help them manage their debts.

Before joining Way Forward, Fiona was the CEO of Financial Counselling Australia for nearly 15 years.

Fiona has 30 years' experience in consumer advocacy, including a number of years on the executive of the Consumers Federation of Australia. She first became involved in issues affecting consumers, particularly people on low incomes or in vulnerable circumstances, after volunteering as a financial counsellor at Caxton Legal Centre in Brisbane in 1989.

She has held directorships on Energex Retail, the Insurance Ombudsman Service and the Financial Ombudsman Service and was previously chair of ASIC's Consumer Advisory Panel.

Fiona is currently a member of ASIC's Consultative Panel and a director of consumer advocacy group Choice.

She was a recipient of an Order of Australia in the 2017 Queen's Birthday honours for significant service to the community through social welfare and financial counselling roles.

Our Senior Leadership Team

Charles Millstead

Chief Executive Officer

Charles rejoined the QCA in 2010.

He commenced as CEO in September 2016 after various roles in senior management, including during a period of significant change for the QCA.

Charles has broad experience in policy analysis and economic regulation. He commenced his career at the Australian Bureau of Agricultural and Resource Economics, focusing on energy market analysis and assessing the impact of trade, investment and climate change policies.

Since 2001, Charles worked in economic regulation in various roles at the QCA, Ergon Energy and the Australian Energy Regulator.

George Passmore

Director – Business Performance

George joined the QCA in 2000.

George has over 20 years' experience in economic regulation.

His role involves managing the QCA's ongoing regulatory roles in monitoring and enforcing compliance of businesses that the QCA regulates and monitoring their performance. Before that, George was extensively involved in roles at the QCA in the economic oversight of water and local government sectors, as well as in rail access regulation.

George started his career with the Bureau of Agricultural Economics before moving to Queensland and working on sugar industry policy, water sector policy and Queensland's first review of irrigation water price paths.

William Copeman

Director – Peer Review

William joined the QCA in 2010.

William's diverse experience encompasses roles at Queensland Treasury, Queensland Treasury Corporation and Deloitte Economics.

His primary role is to provide assurance to the QCA Board of the diverse technical analysis undertaken for the QCA. He also oversees product development and initiatives to develop technical staff.

He has delivered economic regulation, analysis and policy development in both the public and private sector. In particular, William has worked extensively in the Queensland water industry.

Sharon Ibardolaza

Director – Corporate Services

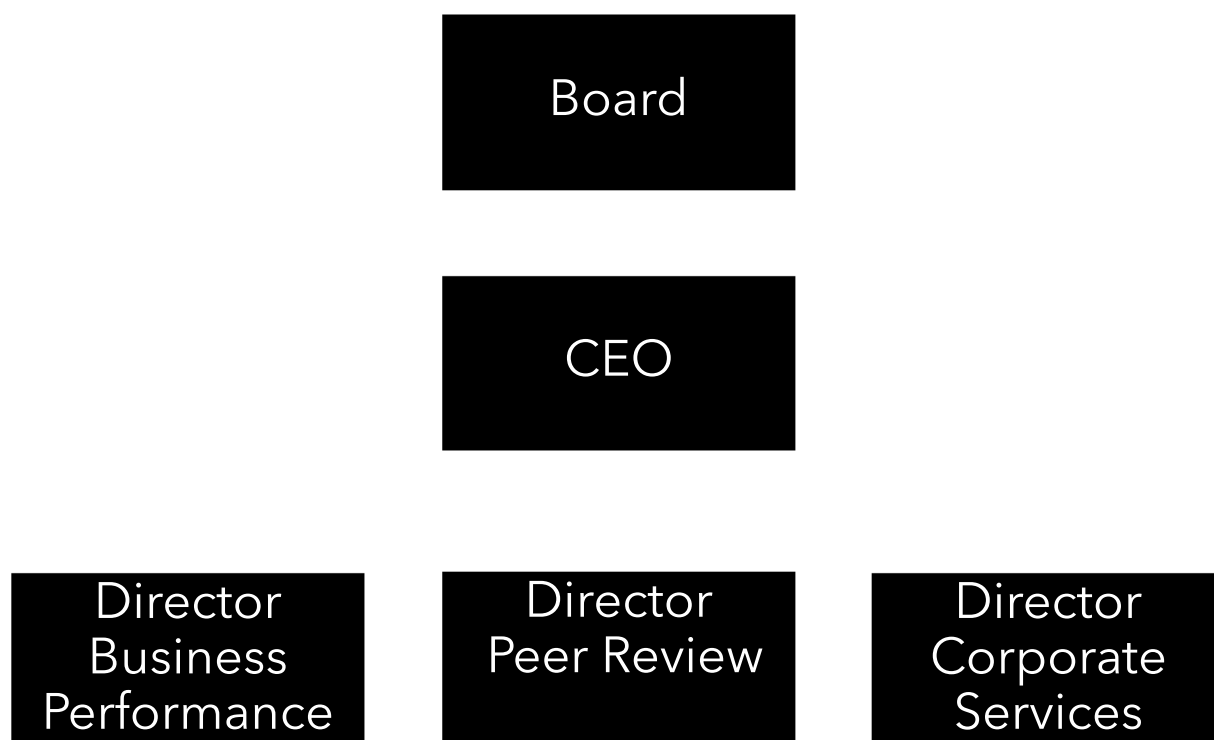
Sharon joined the QCA in October 2020.

Sharon has extensive experience in senior and executive roles in the tourism, banking and local government industries.

At the QCA, she manages a range of corporate services, including governance, financial management, information technology, human resources and corporate administration.

Sharon's previous roles include business strategy development, risk management, corporate and operational planning, cultural change management and leading and managing multi-disciplinary teams to deliver major projects.

Organisational chart



Government bodies 2023-24

Name of Government body: Queensland Competition Authority					
Act or instrument	Queensland Competition Authority Act 1997				
Functions	<p><i>Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements.</i></p> <p><i>We achieve this through investigating and monitoring pricing practices of certain monopoly businesses and regulating third party access to essential infrastructure such as railways and port channels.</i></p> <p><i>We also deal with competitive neutrality matters</i></p>				
Achievements	Refer to pages 16–47 of this annual report				
Financial reporting	Financial transactions of the QCA are accounted for annually in the audited Financial Statements				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
<i>Chair</i>	<i>Professor Flavio Menezes</i>	18	\$150,000 p.a.	0	\$149,486
<i>Deputy Chair</i>	<i>Madeline Brennan KC</i>	17	\$75,000 p.a.	0	\$74,743
<i>Member</i>	<i>Dr Warren Mundy FAICD FRAeS</i>	17	\$75,000 p.a.	0	\$74,743
<i>Member</i>	<i>Fiona Guthrie AM</i>	18	\$75,000 p.a.	0	\$74,743
No. scheduled meetings/sessions	18				
Total out of pocket expenses	\$439,526				

Chair's introduction

Cost of living pressures emphasise the importance of our roles regulating and monitoring markets to improve price and service outcomes for customers. For example, our review of irrigation prices has identified potential cost savings in a number of water supply schemes in regional Queensland. And the electricity prices we set in regional Queensland reflect lower energy costs faced by retailers.

Irrigation price review

On 5 July 2024, we published our draft reports on irrigation prices for Sunwater and Seqwater, following extensive consultation with stakeholders. The purpose of the review is to recommend irrigation prices to apply for the 4-year period from 1 July 2025. We commenced the review with the aim of improving the regulated water business's accountability and engagement with their customers. It is therefore pleasing that we have found Seqwater's customer engagement to be fit-for-purpose and that Sunwater's customer engagement has improved materially since the previous review. We have also found savings in the allowable costs of the businesses and will further assess these, taking account of input from stakeholders as we finalise our recommendations by early 2025.

Electricity prices

Our ongoing monitoring of the retail electricity market in south-east Queensland revealed significant price increases over the course of 2022-23, reflecting sharply higher wholesale energy costs for retailers during 2021-22 and early 2022-23. However, there has since been an easing of energy costs, which is expected to continue. This was confirmed when we set retail electricity prices for regional Queensland for 2024-25, where falling energy costs offset rising network costs, resulting in relatively small increases or decreases in prices. Importantly, however, many customers' final bills will be reduced significantly during 2024-25 by government rebates.

Competitive neutrality

Over the year, we commenced and completed competitive neutrality complaint investigations into the relevant business activities of two state government agencies and responded to competitive neutrality queries from a range of stakeholders. We also provided a recommendation to the Deputy Premier that the business activities of nine state government agencies be declared as significant business activities, and so be made subject to the competitive neutrality complaints process in Part 4 of the QCA Act.

Third party access

In June 2024, we released our draft decision on Queensland Rail's 2025 draft access undertaking, which will replace the current undertaking after it terminates on 30 June 2025. While there are some provisions where our preliminary position is that they are appropriate to approve, there are many matters that Queensland Rail and its customers have not resolved. We are continuing to encourage engagement between Queensland Rail and its customers and have tailored our process with this aim as we proceed to a final decision early in 2025.

On a more positive note, in February 2024 we approved an extension of the access undertaking for Dalrymple Bay Coal Terminal. This was made possible by the agreement that Dalrymple Bay Management reached with its customers at the end of 2023, on a package of arrangements for use of the terminal for a period of 10 years. The extension confirms the primacy of commercial negotiation in the access regime and removes the need for the typical QCA-led undertaking review that would otherwise have commenced in 2023-24. Signs are also encouraging for the replacement or extension of Aurizon Network's current access undertaking, which is set to expire on 30 June 2027. In December 2023, AN released a discussion paper seeking customer input on AN's engagement model for access arrangements beyond the current undertaking.

In closing, I would like to thank staff and my fellow board members for their contributions during 2023-24 and look forward to another busy year in 2024-25.

Professor Flavio Menezes

Chair

CEO's message

While our self-assessed performance for the year was pleasing, we look forward to the results of our next stakeholder survey, due mid-2025, following the completion of several reviews currently underway.

Corporate governance

To maintain our high standards of corporate governance, we reviewed and updated a range of corporate policies, including those related to managing risk and our financial sustainability. We continued to focus on the risk of cyber-attacks with intensive cyber security training for staff, increased cyber security reporting, and the development of a security incident response plan and physical security manual. We also undertook a comprehensive review of our business continuity plan and supporting documentation, which we put to the test in an exercise focused on the initial management of a major incident by the crisis management team. Our board reviews all potential risks annually to ensure adequate mitigation and controls are effective.

Financial position

Our highly trained and versatile team continue to deliver cost savings, leading to lower than budgeted employee expenses and reduced expenditure on the specialist services we rely on for some of our reviews. As a result, we reported a surplus of \$2.1 million for the 2023-24 financial year, a \$0.35 million improvement on budget. While our revenue was \$0.25 million lower than budgeted, expenditure was \$0.6 million lower than budgeted.

Our staff

We believe strongly in a workplace that is fair and inclusive, promotes our values and positive culture, and reflects diversity. In keeping with our Diversity and Inclusion Strategy, we conducted a staff diversity and inclusion survey in late 2023, and staff suggestions are progressively being implemented. We also have a comprehensive set of policies on expected workplace behaviours. To support these themes, we appointed 2 contact officers during the year. In addition, staff complete a 'respect in the workplace' refresher twice a year, and we acknowledge celebratory and awareness days, such as International Women's Day.

Finally, I wish to acknowledge the efforts of staff and board members during 2023-24 and look forward to the QCA finalising several significant reviews in 2024-25, in addition to our ongoing work.

Charles Millstead
Chief Executive Officer

Projects in 2023-24

Overview

The QCA's role involves:

- determining and recommending prices
- monitoring prices and services
- overseeing access regulation

Our vision is to improve the prosperity of Queenslanders, and our purpose is to make Queensland's economy more competitive through efficient and effective economic regulation.

We conduct our investigations and reviews in line with the four objectives of our strategic plan:

- Optimise regulatory frameworks
- Make unbiased, transparent and robust decisions
- Promote understanding and engagement
- Enable efficient, flexible and expert resourcing.

We contribute to the Queensland Government's objectives of growing our regions, building Queensland and supporting jobs.

Retail electricity prices 2024-25

In December 2023, we received a delegation from the Minister for Energy and Clean Economy Jobs to set regulated retail electricity prices to apply in regional Queensland for 2024-25. As part of this review, we published:

- an interim consultation paper in December 2023, in which we invited stakeholders to comment on key issues; in response, we received 5 stakeholder submissions
- a draft determination in May 2024, in which we invited stakeholders to comment, including on the draft prices; in response, we received seven stakeholder submissions
- a final determination in June 2024, with final prices to apply from 1 July 2024 to 30 June 2025.

We also held online information sessions after publishing the draft determination.

Overall, we forecast an increase in the underlying cost of supplying energy to most customers. Based on our final prices (and in the absence of rebates announced by the Queensland Government and the Australian Government), electricity bills would:

- increase by between 2.8% and 5.0% for typical residential customers on the main flat-rate tariff 11 (depending on whether they are also on load control tariffs)
- decrease by 1.1% for small business customers on the main flat-rate tariff 20.

The increase in prices is largely due to higher network and retail costs, which are not fully offset by a decrease in energy costs. Importantly, this year our prices were capped by the default market offer (DMO) reference bills (set by the Australian Energy Regulator) that apply in south-east Queensland, which limited the price increases for residential and small business customers.

Regional Queensland solar feed-in tariff 2024-25

In December 2023, we received a delegation from the Minister for Energy and Clean Economy Jobs to set a flat-rate feed-in tariff to apply in regional Queensland for 2024-25 using an 'avoided cost' methodology.

We issued our determination in June 2024. We set the feed-in tariff to apply from 1 July 2024 to 30 June 2025 at 12.337 cents per kilowatt hour based on the cost estimates also used in setting notified prices for 2024-25. This is 7.9% lower than last year's feed-in tariff – driven largely by a decrease in avoided wholesale energy costs.

South-east Queensland electricity market monitoring

Retail electricity prices for residential and small business customers have been deregulated in south-east Queensland since 1 July 2016. The QCA's market monitoring and reporting function in section 89B of the Electricity Act is a light-handed framework that allows the Queensland Government to monitor the operation of the south-east Queensland retail electricity market to ensure customers can benefit from price deregulation and increased competition in south-east Queensland.

In June 2021, the Minister for Energy, Renewables and Hydrogen directed us to monitor and report on the operation of the south-east Queensland retail electricity market for residential and small business customers for each financial year from 1 July 2020 to 30 June 2025. We published our market monitoring report for 2022-23 – that is, from 1 July 2022 to 30 June 2023 – in December 2023.

Our report found that 36 retailers had plans available for residential and/or small business customers in south-east Queensland in 2022-23, which is seven retailers fewer than in 2021-22. We found that prices for residential and small business customers increased in 2022-23. This was primarily driven by increases in wholesale energy costs in late 2021-22 and early 2022-23. Most retailers increased the prices of their market offers in 2022-23 – in some cases substantially. Standing offer prices, on the other hand, could not be increased to the same extent as market offer prices, provided that a DMO was in place for that tariff or tariff combination.

The outcomes we observed in the south-east Queensland retail electricity market in 2022-23 indicated that the market remained competitive. Retailers continued to compete on price, and some new types of retail plans and incentives emerged. Although market concentration increased, as several smaller retailers exited the market and their customers switched to larger retailers, competition between the retailers that were still active in the market appeared to continue.

Despite the increase in prices, our report concluded that customers could still benefit from competition in the south-east Queensland retail electricity market in 2022-23, provided they shopped around. There were a variety of retailers and plans to choose from, and prices varied substantially between retailers, and often even between different plans offered by the same retailer.

Rural irrigation price review 2025-29

We are reviewing the irrigation pricing practices of Seqwater and Sunwater for the purpose of recommending irrigation prices for the four-year period from 1 July 2025 to 30 June 2029.

We received Seqwater's and Sunwater's pricing proposals on 30 November 2023 and held initial stakeholder workshops on the proposals and our review process from late January to mid-February 2024.

Stakeholder submissions on the pricing proposals were due in late February 2024 and we considered all submissions received in finalising our draft reports, which we provided to the government on 28 June 2024. Among our draft findings are that the businesses' engagement with customers has improved materially since our previous review. We have also proposed reductions in the allowable costs of the businesses to reflect prudent and efficient expenditure.

We began consultation on the draft report in late July 2024 by holding another round of stakeholder workshops. We are inviting submissions from stakeholders by 16 September 2024. Our final reports, which are due to the government by 31 January 2025, will take account of all stakeholder submissions received by the due date.

Gladstone Area Water Board 2025 price activities

The Gladstone Area Water Board (GAWB) provides bulk water to the Gladstone Regional Council and industrial and power generation companies in the Gladstone region.

GAWB 2023 midterm review

GAWB price monitoring activities are intended to have an informative rather than determinative purpose. The general objective of price monitoring is to present information that provides incentives to constrain the provider of a monopoly service from exercising its market power. The regime serves to support transparency and accountability in GAWB's price-setting processes with its customers. GAWB may depart from our findings and set prices differently, subject to its contractual agreements.

During 2023-24 we undertook a mid-term price monitoring review that compared prices GAWB actually charged its customers between 1 July 2020 and 30 June 2023 to the indicative prices from our previous price monitoring report we published in May 2020.

Our midterm review found that:

- GAWB's actual prices in 2020-21 were higher than the indicative prices we calculated by between 6.3 and 16.6% on average across all pricing zones in 2020-21, depending on the tariff component. Differences were primarily due to GAWB's inflation forecasts (not derived using our preferred methodology), revised zonal demand forecasts and updates to other modelling inputs
- GAWB's actual prices in 2021-22 and 2022-23 increased by 1.72 and 6.00% respectively, due to annual indexation for actual inflation
- assumptions or inputs GAWB used that departed from our May 2020 findings were transparently applied and explained, as described in GAWB's submission and as communicated to customers.

GAWB 2025-30 review

The Queensland Government has directed us to conduct a price monitoring investigation relating to the monopoly business activities of GAWB. The government provided referral notices on 14 December 2023 and 23 May 2024. The price monitoring investigation is for the period 1 July 2025 to 30 June 2030 and will consider a range of matters, including the appropriate prices for the period that provide GAWB sufficient revenue to recover its prudent and efficient costs.

On 31 May 2024, GAWB provided its initial submission setting out its proposed prices for the 2025-30 price monitoring period. Stakeholder submissions are due by 31 July 2024.

We intend to publish our draft report in early December 2024 and a final report in early May 2025.

Our price monitoring report will inform negotiations between GAWB and its customers during the five-year period starting 1 July 2025.

Access undertakings

We have an active role in administering access undertakings of the three businesses subject to the access regime contained in the QCA Act.

Access undertakings for Queensland Rail and Aurizon Network are in place until 2025 and 2027 respectively. The Dalrymple Bay Coal Terminal (DBCT) access undertaking is in place until 2031.

Aurizon Network

Aurizon operates and manages Australia's largest export coal rail network, the Central Queensland Coal Network (CQCN), through its subsidiary company Aurizon Network.

Aurizon Network's 2017 access undertaking (UT5) sets out details of the terms on which it undertakes to provide access to the CQCN.

The undertaking expires on 30 June 2027. Aurizon Network has commenced its preliminary engagement with stakeholders on the development of arrangements for the next regulatory period. It said it is looking to continue and improve upon the constructive engagement which produced the UT5 arrangements and the information disclosure and customer involvement which has occurred.

Dalrymple Bay Coal Terminal

DBCT is a coal export terminal located in central Queensland, approximately 40 kilometres south of Mackay. DBCT is the only port facility that has been declared under Part 5 of the QCA Act.

While the Queensland Government owns DBCT, the terminal is leased to Dalrymple Bay Infrastructure Management Pty Ltd (DBI Management). DBI Management has a 50-year lease over the terminal from 2001, with an option to extend the lease for a further 49 years.

During 2023-24, DBI Management provided access to the terminal under the terms and conditions set out in its 2021 access undertaking, which we approved on 1 July 2021. The approved 2021 DBCT access undertaking reframed the regulatory framework at DBCT, in particular by implementing a pricing model based on negotiate-arbitrate processes without a reference tariff. In line with this model, DBI Management negotiated new pricing agreements with all of the existing users at DBCT (to apply from 1 July 2021 to 30 June 2031).

In February 2024, we approved DBI Management’s proposal to extend the 2021 DBCT undertaking to 1 July 2031, in line with the expiry dates of the pricing agreements and with the support of existing users.

Queensland Rail

Queensland Rail is a statutory authority that provides passenger train services and operates a 6,600 kilometre rail network. The network includes the south-east Queensland commuter lines, the West Moreton system and the Mount Isa and North Coast lines.

Queensland Rail’s approved 2020 access undertaking sets out the terms for access to its network, including rules for setting prices and for scheduling trains. The undertaking expires on 30 June 2025.

Queensland Rail lodged a voluntary draft access undertaking in November 2023, and we published a draft decision in June 2024. This should enable a new access undertaking to be ready when the current undertaking expires.

The draft decision emphasised our desire for Queensland Rail and its customers to settle areas of disagreement on a consensus basis. Areas where we asked the parties to work toward agreed outcomes included the terms of the standard access agreement and the reference tariff and related matters for coal services on the West Moreton system.

Competitive neutrality

In Queensland, the principle of competitive neutrality is applied to relevant state and local government business activities. While the respective state and local government complaint regimes differ somewhat, competitive neutrality essentially relates to government businesses not having an advantage over private sector competitors by virtue of their government ownership.

In 2023-24, our activities included:

- answering enquiries regarding competitive neutrality issues from private sector businesses, state government agencies and local government entities
- considering competitive neutrality complaints received concerning two state-owned business activities, and determining they were outside the scope of the competitive neutrality provisions of the QCA Act
- recommending nine state-owned business activities be subject to the principle of competitive neutrality under Part 4 of the QCA Act.

Product development

We foster a culture of continuous improvement and best practice regulation, including through our product development function, which seeks to anticipate and prepare for emerging regulatory challenges.

Review of climate change related expenditure

Businesses operating in sectors regulated by the QCA are increasingly considering climate change when making spending and investment decisions.

While we have mechanisms and frameworks to assess whether expenditure is prudent and fit for purpose, we considered whether they appropriately support climate change expenditure. Among other things, such expenditure should be undertaken in a timely manner.

Climate change expenditure by regulated businesses can be divided broadly into two categories:

- Adaptation expenditure focuses on enhancing the resilience of infrastructure to better cope with extreme weather events. Such expenditure includes replacement capital expenditure, enhanced greenfield expenditure and asset upgrades.
- Mitigation expenditure focuses on reducing carbon dioxide equivalent emissions. Such expenditure relates to responding to changes in government policies, addressing community sentiment or external corporate factors (such as funding requirements) and maintaining a social licence to operate.

Our position paper was finalised in September 2023. We found that our existing regulatory frameworks are appropriate for considering climate change related proposals for both adaptation and mitigation expenditure, but we clarified how these frameworks apply when we assess such proposals.

The final position paper benefited from extensive and constructive stakeholder engagement and submissions.

We distilled our key findings into a guideline – intended to assist stakeholders to understand how we may consider climate change related expenditure proposals. We believe this guidance will reduce the risk faced by regulated businesses when they undertake expenditure that will adapt to or mitigate climate change.

Ongoing regulatory work

The Business Performance team handles a range of ongoing economic regulatory work that falls outside the scope of individual projects.

In 2023-24, Business Performance progressed a range of matters arising in relation to Aurizon Network, DBI Management, Queensland Rail, energy and competitive neutrality. The most notable amongst these matters are listed below.

Aurizon Network

- Rebate mechanism DAAU
- GAPE and Newlands pricing DAAU
- Annual reference tariff review 2024-25
- Adjustment charge amounts – GAPE and Newlands pricing DAAU
- Electric charge (EC) update 2024-25
- Capital expenditure claim 2022-23
- Maintenance cost claim 2022-23
- Regulatory asset base roll-forward 2022-23
- Revenue adjustment amounts 2023-24
- Review of system rules 2024
- Transitional arrangements 2023-24
- Olive Downs private incremental costs claim

Queensland Rail

- Capital expenditure claim 2022-23
- Loss capitalisation account adjustment 2022-23

Energy

- Monitoring the south-east Queensland retail electricity market and providing an annual report (see page 17)
- Monitoring south-east Queensland solar feed-in tariffs
- Reporting on the guaranteed service levels performance by Energex and Ergon Energy
- Monitoring and enforcing compliance with the Electricity Distribution Network Code and derogations to the National Energy Customer Framework
- Customer enquiries and complaints

Corporate matters

Overview

Corporate governance

We place great emphasis on corporate governance. Our administrative framework supports the delivery of effective and efficient economic regulation for Queensland.

We have a range of policies and procedures to help ensure that assets are safeguarded, proper financial and accounting records are maintained, we comply with legislative and Queensland Government requirements, and the work and effort of staff are consistent with the board's strategic direction.

We prioritise the management and protection of information, as well as the maintenance of confidentiality where appropriate. Our records are stored electronically, and paper records are retained as required. There were no breaches of information security during the financial year.

Audit functions

We have an established internal audit function. As we are a small regulator, we outsource the annual review of our fee costing model.

This year, the review was undertaken by Grant Thornton, which found that our systems remain appropriate.

A review of our financial management internal controls is also undertaken every three years. Grant Thornton found our controls remain appropriate and are considered best practice for the QCA operations.

Finally, we also received an unqualified audit certificate from the Queensland Audit Office for the reporting period – reflecting the effectiveness of the administrative framework.

Human rights

We acknowledge our obligations as a public entity under the *Human Rights Act 2019*. All QCA decisions consider any human rights that may be impacted.

The objective of the Human Rights Act is to protect and promote human rights, to build a culture in the Queensland public sector that respects and promotes human rights, and to help promote a dialogue about the nature, meaning and scope of human rights.

No complaints were received about our conduct (under s. 58 of the Human Rights Act).

All new QCA employees undertake human rights training as part of their induction.

Corporate culture

We continue to support professional development that complements and extends the training programs available to our staff.

Our values - trust, respect, achievement, integrity and teamwork - underpin our culture. We have a values recognition scheme that recognises staff for 'living our values'.

All staff contracts include the requirement to abide by the code of conduct and to disclose any potential or actual conflicts of interest. Board members and staff absent themselves from all deliberations where conflicts of interest, real or perceived, are suspected or arise. This is further reinforced through awareness sessions and training.

Risk management

We monitor our major risks, including physical risks, employee practices liability, financial management risks, information management, technology-related risks and reputational risks. We review this strategic risk register quarterly to check mitigation and to monitor controls and activities. We also identify operational risks in our annual operation plan, which is reviewed half-yearly.

During the year there was a continued focus on the risk of cyber-attacks. Staff undertook intensive cyber security training, which is supported with our ongoing phishing campaign. Other initiatives included an increase in cyber security reporting, and development of our security incident response plan and physical security manual.

A comprehensive review of our business continuity plan and supporting documentation was also undertaken. We engaged Risk Logic to facilitate an exercise that focused on the initial management of a major incident by the crisis management team. We observed the participation and cooperation of staff in accordance with assigned roles and responsibilities.

Overall, the crisis management team and staff achieved the objectives of the training exercise. Staff were able to familiarise themselves with their roles and responsibilities and identify opportunities to strengthen the QCA's response and recovery processes.

The board reviews all potential risks annually and watches over key and critical risks to ensure adequate mitigation and controls are effective.

Policy and corporate documents

The *Public Sector Act 2022* (PS Act) addresses elements from the Coaldrake Report, which reviewed culture and accountability in the Queensland public sector and implemented recommendations from the Bridgman Report regarding public sector employment laws.

A large number of directives of the Public Sector Commission and the Office of Industrial Relations continued to be progressively updated in 2023-24 and we reviewed their application and impact. While many of the conditions of various directives are already reflected in the existing HR manual and other documents (e.g. leave policies, diversity and workplace behaviours policies, performance management practices and professional codes of conduct), some changes have been required to our current policies and processes to ensure consistency with the directives.

We routinely review and update our policies and guidelines. Policies reviewed or created during the reporting period include:

- acceptable use of artificial intelligence policy
- banned shares list
- business continuity plan
- CEO and staff authorisations policy
- finance manual

- financial sustainability policy
- human resources and procedures manual
- information management manual
- IT disaster recovery plan
- managing unreasonable behaviour from the public policy
- operational plan
- physical security manual
- public interest disclosure policy
- purchasing policy
- purchasing manual
- risk management policy
- risk management register
- security incident response plan
- strategic plan
- travel policy
- values recognition scheme guideline.

All staff periodically receive awareness training and guidance on policies.

Financial performance

We reported a surplus of \$2.1 million for the 2023–24 financial year.

This is a \$0.35 million improvement on budget.

Our total revenue was \$0.25 million lower than budgeted revenue.

Our total expenditure was \$0.6 million lower than budgeted. Employee expenses (\$0.28 million) and specialist services (\$0.30 million) were lower than budgeted.

Expenditure, including performance against budget, is reported monthly to the board.

Environmental statement

We maintain an environmentally friendly workplace. The Ann Street office has a 5.5-star NABERS energy rating and a 4.5-star NABERS water efficiency rating. We support the efficiency measures initiated by the building's management.

The office environment benefits from low sills and a stepped perimeter ceiling that maximises the natural light penetration and, together with motion-activated lighting, saves energy. We also promote recycling and use recycling bins for paper and cardboard. The building facilities also support our policies on work-life balance, with excellent end-of-trip facilities (including secure bike racks and showering facilities).

Open data

Statutory bodies are not required to maintain an open data strategy. However, we subscribe to open data principles, and, unless information is deemed confidential or we are not required to publish it by direction or legislation, we publish and provide access to information necessary to inform stakeholders. Information on the Queensland Government's open data policy is available on its Open Data Portal.

Consultancies

We use consultancies to augment our in-house capacity. When necessary, engineering firms and law firms undertake work and advise on specific requirements of a direction notice, or comprehensively review and assess draft access undertakings and other submissions. We are mindful of the need to achieve value for money, and where possible, we use state government procurement standing offer arrangements or issue clearly specified tenders.

Overseas travel

There was no overseas travel during 2023-24.

Our performance framework

Our performance framework focuses on operational practices, rather than matters of policy or legislation. At the highest level, the framework reflects our commitment to innovate, manage costs, improve productivity and achieve practical outcomes.

Four themes underpin our performance objectives. They form the basis for the key performance indicators (KPIs):

- effective and efficient regulatory outcomes
- timely and transparent processes
- efficient and reasonable costs and regulatory fees
- effective stakeholder engagement and communication.

Assessing our performance

A self-assessment every year and an external review every two years form part of our performance framework.

The self-assessment is an assessment of each project in our work program against all relevant KPIs. The assessment results are also peer-reviewed internally and are submitted to the QCA board for approval before they are published.

We arrange for a stakeholder review of our performance every two years. The full reports are published on our website.

The last 2 reviews were undertaken by Orima Research, who independently surveyed a wide range of stakeholders – including entities we regulate, customers of those entities, special interest and advocacy groups, our Consumer Advisory Committee and government representatives. Our results are used as part of our continual improvement processes and inform our engagement strategy with stakeholders. Due to the timing of our projects in 2023-24, the scheduled review for 2024 was deferred to 2025.

Performance results for 2023-24

A snapshot of our performance results for 2023-24 is shown below.

Each of the 14 projects had a different set of circumstances and requirements. Some were guided by ministerial directions, while others were statutory reviews. Therefore, not all KPIs applied to each project.

Overall, relevant project KPIs were achieved. However, we did not meet our performance target in relation to various Aurizon Network projects requiring the QCA to publish all non-confidential submissions and decisions on our website within 10 working days. While all decisions were published within 10 days, staff elected to delay publishing some submissions within the 10-day period in order to streamline the consultation process and allow stakeholders an equal opportunity for comment. This approach meant that all non-confidential submissions were published at the same time.

Further, as per previous years, we only held one annual electricity consumer advisory committee meeting. This was due to the timing of current QCA projects and the requirement to have industry consultation did not necessitate a second meeting during 2023-24.

Finally, due to the change in the direction notice for the Regional Queensland Retail Electricity Prices 2024-25 received in March 2024 - which amended the timing for the publication of the draft determination decision, - staff were unable to host at least five regional workshops a. This meant the period of consultation was less than the planned 25% for this project. We have marked these indicators as not applicable for this year.

Projects undertaken in 2023-24

The performance of our projects, based on our KPIs, is summarised by project on the following pages. Information about the financial performance of projects is not listed and is captured on page 26.

Performance assessment against KPIs, 2023-24

LEGEND	
Not Applicable	
Not Achieved	
Achieved	

2023 - 24 PROJECTS

Key performance indicators	Aurizon Network's - Reset Schedule F values	Aurizon Network's GAPE and Newlands pricing DAAU	Aurizon Network's - Changes to system rules	Aurizon Network's - Review of the independent expert	Competitive Neutrality	DBLM Access undertaking extension DAAU	GAWB midterm 2020-25 price monitoring review	Guaranteed Service Levels review 2025-30	Irrigation price investigation 2025-29	Queensland Rail's 2025 Draft Access Undertaking	Regional Queensland Retail electricity prices 2024-25	South-east Queensland electricity market monitoring 2023-24	Solar feed-in tariff 2024-25	Solar feed-in tariff monitoring 2022-23
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Efficiency and prudence of QCA costs and regulatory fees

1.1	1.1.1	QCA costs based on fee framework.												
	1.1.2	Regulated entities notified of estimated costs prior to 30/06.												
	1.1.3	Costs tracked monthly and >15% deviations from estimates reported to regulated entity.												
1.2	1.2.1	QCA fees independently audited annually to verify fees charged in accordance with fee framework.												
1.3	1.3.1	Continuous improvement to the cost efficiency of QCA's projects and operations - consultancies assessed on best value basis, increase in discretionary employee expenses less than greater of CPI or 3%.												

Timely and transparent processes

2.1	2.1.1	Timeliness of decisions on or under 'Access Undertakings' - statutory timeline met.												
2.2	2.2.1	Timeliness of all other statutory decisions - reporting completed by Ministerial deadline.												
2.3	2.3.1	Availability of submissions and decisions - all non-confidential submissions and decisions published on our website within 10 working days.												
	2.3.2	Assessment of confidential submissions within 30 days.												

Effective processes for replacing access undertakings - new access undertakings approved and published prior to the expiry of the previous undertaking

3.1	3.1.1	Effective processes for replacing access undertakings - new access undertakings approved and published prior to the expiry of the previous undertaking.												
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Effective stakeholder engagement

4.1	4.1.1	Projects involving stakeholder input are well communicated - publish Statement of Regulatory Intent or Information Notice explaining purpose, process and timeframe as well as opportunities for consultation and communication.												
	4.1.2	Fact sheets published for all pricing decisions and												
4.2	4.2.1	Opportunities for stakeholder consultation - period of consultation to be at least 25% of total duration of project.												
4.3	4.3.1	Digital engagement - webinar within 60 days of regional retail electricity pricing draft decisions.												
4.4	4.4.1	Regional engagement - at least 5 workshops prior to regional retail electricity pricing final decisions.												
4.5	4.5.1	Industry consultation - at least 2 Consumer Advisory Committee workshops annually.												
4.6	4.6.1	Industry engagement - engage with regulated entities (e.g. site visits).												
	4.6.2	Stakeholder engagement - engage with stakeholders (e.g. meetings, forums, written notices).												

Project	Background	Status	Summary
Aurizon Network's reset Schedule F values	Aurizon Network proposed reference tariffs, allowable revenues and volume forecasts (the reset Schedule F values) for each coal system and for the reset period.	Completed	<p>Timeliness and transparency: In July 2023, Aurizon Network submitted proposed allowable revenues, reference tariffs and volume forecasts, to apply from 1 July 2023 (based on the reset schedule F preliminary values that we approved in May 2023).</p> <p>In October 2023, we approved Aurizon Network's revised reset values based on updates to reset the WACC and inflation rate.</p> <p>Aurizon Network's proposal (including updates), stakeholder submissions and our decisions are published on our website.</p> <p>Stakeholder engagement: Stakeholders provided submissions on the preliminary assessment.</p> <p>We received 5 submissions from 3 parties.</p> <p>Benefits/outcome: The approved reset schedule F preliminary values set the prices to apply from 1 July 2023.</p>
Aurizon Network's GAPE and Newlands pricing draft amending access undertaking	Aurizon Network submitted a draft amending access undertaking (the initial Goonyella to Abbot Point expansion (GAPE) project and Newlands pricing DAAU) in September 2022 that sought amendments – including adjustments to relevant reference tariffs – to address ongoing issues arising from the GAPE project. Following our preliminary analysis, in April 2023, Aurizon Network submitted a revised DAAU to	Completed	<p>Timeliness and transparency: In our draft decision of August 2023, we refused to approve the DAAU and detailed the amendments we required in order for it to be appropriate to approve. Our final decision was released in November 2023.</p> <p>In response, Aurizon Network resubmitted a DAAU in December 2023, which was prepared to comply with our proposed amendments. We approved the DAAU in February 2024.</p> <p>Stakeholder engagement: We received 3 submissions from stakeholders in response to the draft decision on the April 2023 DAAU. There were no submissions in response to Aurizon Network's resubmitted DAAU.</p> <p>Benefits/outcome: After a necessarily extended process, the long-standing issues relating to pricing in the Newlands and GAPE systems are resolved, providing certainty to Aurizon Network and its customers.</p>

Project	Background	Status	Summary
	address ongoing issues relating to pricing GAPE project and to respond to the issues raised in our preliminary analysis of December 2022.		
Aurizon Network's changes to system rules	<p>The system rules set out the processes and systems for planning and scheduling train services within the Central Queensland Coal Network. Under clause 7A.7.4(b) of the access undertaking, Aurizon Network must review the system rules at least once each year. In March 2024, Aurizon Network proposed to significantly revise system rules to improve performance with a daily rolling plan to provide for shorter timeframes for scheduling of services. Aurizon Network proposed a 7-month trial of the new rules commencing in July 2024.</p>	Completed	<p>Timeliness and transparency: We published our initial views to approve the proposal in March 2024. After reviewing submissions, we decided that changes were required to the proposed approach in our decision of April 2024. Aurizon Network agreed to these changes in their proposal submitted in April 2024. Our final decision in May 2024 was to approve this proposal.</p> <p>We were able to complete the review process in time for the trial to commence. The trial for the amended rules will commence on or before 1 July 2024.</p> <p>Stakeholder engagement: Stakeholders were invited to make submissions on the initial proposal. We received 4 submissions, as well as additional information from Aurizon Network. Amendments proposed by stakeholders were agreed with Aurizon Network.</p> <p>We received one submission on the revised proposal (which supported the revised approach).</p> <p>Benefits/outcome: The proposed trial of the revised system rules is designed to test whether the proposed changes improve the planning and scheduling processes. The revised proposal has been developed with input from participants and provides greater certainty to customers while balancing the interests of stakeholders.</p>
Aurizon Network's review of the independent expert	<p>Aurizon Network's UT5 access undertaking provides for the appointment of an independent expert responsible for capacity assessments and performance</p>	Completed	<p>Timeliness and transparency: Under the access undertaking, we are required to review the appointment of the CNCC within 4 years of the undertaking approval date. We commenced the review in July 2023 by seeking stakeholder comments on the performance of the CNCC in meeting its responsibilities.</p>

Project	Background	Status	Summary
	<p>monitoring. The Coal Network Capacity Company (CNCC) was appointed in 2020.</p>		<p>In September 2023, after considering submissions, we concluded that the CNCC was satisfactorily performing its role as the independent expert, noting the challenges in establishing a new organisation to undertake complex activities.</p> <p>Stakeholder engagement: We received 4 submissions in response to our stakeholder notice.</p> <p>Benefits/outcomes: The independent expert is fulfilling an essential role in assessing system capacity and reviewing options for managing capacity deficits. The interests of stakeholders are best served by the CNCC continuing its role as the independent expert.</p>
<p>Competitive neutrality</p>	<p>We advise government agencies about complying with the principle of competitive neutrality. We also receive, investigate and report on complaints about the alleged failures of government agencies to comply with the principle of competitive neutrality.</p>	<p>Ongoing</p>	<p>Timeliness and transparency: During 2023-34 we received 2 competitive neutrality complaints.</p> <p>In October 2023, we commenced an investigation into the activities of TAFE Qld in providing vocational education and training courses under the Fee Free TAFE program. TAFE was considered to be designated a significant business activity (SBA) under Part 4 of the QCA Act.</p> <p>However, we formed the view that the SBAs under the QCA Act must be re-declared by the Minister and we therefore concluded the investigation.</p> <p>In March 2024, we commenced an investigation into a complaint regarding the activities of Yurika Pty Ltd, a subsidiary to Energy Queensland (a government-owned corporation), in the construction of high-voltage powerlines and related infrastructure. We found that the complaint did not meet the criteria under Part 4 of the QCA Act.</p> <p>In March 2024, we recommended to the Minister that the previously declared 9 SBAs (including TAFE Qld) be re-declared as SBAs under s.39(1) of the QCA Act.</p> <p>Stakeholder engagement: We consulted with the 9 former SBAs as part of our investigation to recommend their re-declaration. On the basis of submissions, we were satisfied that the businesses should be re-declared.</p> <p>Benefits/outcomes: Our investigations revealed jurisdictional factors relevant to our ability to investigate complaints regarding subsidiaries of government-owned</p>

Project	Background	Status	Summary
			corporations (GOCs) and the SBAs that are yet to be re-declared. We have advised the Minister on our findings.
Dalrymple Bay Infrastructure Management Access undertaking extension DAAU	On 13 October 2023, Dalrymple Bay Infrastructure Management (DBIM) submitted a draft amending access undertaking (the extension DAAU) to extend the terminating date of the 2021 DBCT access undertaking to 1 July 2031.	Completed	<p>Timeliness and transparency: In November 2023, we issued a stakeholder notice inviting submissions on DBIM’s DAAU. DBIM advised that it had reached agreement with existing users on pricing and commercial terms for a 10-year period to 30 June 2031. DBIM proposed that the only amendments to the undertaking should be in regard to the extension period.</p> <p>In its submission, the DBT User Group supported the extension DAAU but indicated that it did not support the agreement continuing beyond 1 July 2031, citing concerns about the negotiate-arbitrate process.</p> <p>Stakeholder engagement: To ensure sufficient time for stakeholders, we allowed a 10-week consultation period. We received one submission, from the DBT User Group.</p> <p>Benefits/outcomes: The decision averts the need for a detailed review of the undertaking and provides clarity and certainty for DBIM and the users of the terminal.</p>
Gladstone Area Water Board (GAWB) midterm 2020-25 price monitoring review	In June 2019, we were directed by the Queensland Government to conduct a price monitoring investigation of GAWB for the pricing period 1 July 2020 to 30 June 2025. We published our final report in May 2020, setting out our findings on prudent and efficient expenditures and indicative prices for GAWB's bulk water services.	Completed	<p>Timeliness and transparency: In February 2023, we issued a stakeholder notice inviting submissions from stakeholders and GAWB to assist in our midterm price monitoring report.</p> <p>We released our final report within the required deadlines set by government (October 2023).</p> <p>Stakeholder engagement: Stakeholders had one opportunity to provide submissions, by 31 May 2023, which we considered in the preparation of our price monitoring report. We received one submission.</p> <p>GAWB also had one opportunity to provide a submission by 31 July 2023. Its submission outlined its actual charges for each pricing zone and compared them to our indicative charges.</p>

Project	Background	Status	Summary
	The government required that we prepare a subsequent midterm price monitoring report that compares prices GAWB actually charged its customers between 1 July 2020 and 30 June 2023 to the indicative prices from our May 2020 final report.		Benefits/outcomes: The purpose of monitoring GAWB's prices is to provide information. The general objective of price monitoring is to present information that provides incentives to constrain the provider of a monopoly service from exercising its market power. The regime serves to support transparency and accountability around GAWB's price-setting processes. GAWB may depart from our findings and set prices differently, subject to its contractual agreements.
Guaranteed Service Levels review 2025-30	<p>The Electricity Distribution Network Code (EDNC) requires the QCA to review the guaranteed service level (GSL) measures, thresholds and payments that Energex and Ergon Energy are required to meet.</p> <p>We have reviewed the GSL thresholds, measures and payments for the next regulatory period, which is the 5 years from 1 July 2025 to 30 June 2030.</p>	Completed	<p>Timeliness and transparency: In March 2023, we released a consultation paper outlining the key issues in reviewing the current GSLs. This was followed by a draft decision in July 2023, which allowed for further consultation.</p> <p>After considering submissions, our final decision was released in December 2023. The decision was to continue the scheme, with adjustments in payments to reflect inflation. In addition, minor amendments were made to the EDNC to formalise the process for Ergon Energy to provide automatic GSL payments to card-operated meter customers.</p> <p>Stakeholder engagement: We received 4 submissions from 3 stakeholders in response to our consultation paper. Energy Queensland provided additional information in its second submission.</p> <p>In response to our draft decision, we received a further 3 submissions.</p> <p>Benefits/outcomes: The decision provides for the continuation of the GSL scheme, with the revised payments to commence from 1 July 2025.</p>
Rural irrigation price review 2025-29	We have been directed by the Treasurer to review the irrigation pricing practices of Seqwater and Sunwater. The purpose of the review is to recommend irrigation prices to	Ongoing	Timeliness and transparency: Our review formally began when Seqwater and Sunwater submitted their pricing proposals in November 2023. In accordance with the referral notice, we provided our draft reports to the government on 28 June 2024. The publication date for the draft decision, along with information sheets is 5 July 2024.

Project	Background	Status	Summary
	<p>apply for the 4-year period from 1 July 2025 to 30 June 2029.</p>		<p>Stakeholder engagement: We consulted extensively before releasing the draft reports. We held 11 stakeholder workshops across Queensland and received 24 submissions.</p> <p>Benefits/outcomes: Our draft reports explain how we reached our draft recommendations on the businesses' irrigation pricing practices and include our draft price recommendations. We will undertake further stakeholder consultation before finalising our recommendations and reporting to the government by 31 January 2025.</p>
<p>Queensland Rail's 2025 draft access undertaking</p>	<p>We are investigating Queensland Rail's 2025 draft access undertaking (DAU), which will replace the current undertaking after it terminates on 30 June 2025.</p>	<p>Ongoing</p>	<p>Timeliness and transparency: In November 2023, Queensland Rail submitted a draft access undertaking (2025 DAU) to replace the current undertaking after it terminates on 30 June 2025.</p> <p>At the start of our investigation of whether it is to approve the 2025 DAU, we sought stakeholder comments, and published a notice of investigation and time periods and a statement of regulatory intent. To assist the consultation process, we published a notice with topics for stakeholder comment on 23 November 2023.</p> <p>We published our draft decision to refuse to approve Queensland Rail's 2025 DAU on 6 June 2024. Our decision was informed by stakeholder submissions and expert advice.</p> <p>Stakeholder engagement: We provided stakeholders 2 opportunities to make submissions on Queensland Rail's 2025 DAU:</p> <ul style="list-style-type: none"> • a round of submissions in response to Queensland Rail's DAU, during which we received 9 submissions • a round of responsive submissions on Queensland Rail's DAU, during which we received 7 submissions. <p>We have also asked for submissions on our draft decision, with submissions due by 23 July 2024.</p>

Project	Background	Status	Summary
			<p>Benefits/outcomes: We have followed an established open and transparent approach to assessing Queensland Rail's 2025 DAU, with an emphasis on stakeholder engagement. This project will continue into the next year.</p>
<p>Regional retail electricity prices 2024-25</p>	<p>We undertook a pricing review to determine the regional retail electricity prices that Ergon Energy may charge customers on standard contracts during 2024-25.</p>	<p>Completed</p>	<p>Timeliness and transparency: We published a final determination for 2024-25 by 7 June 2024, as required.</p> <p>Stakeholder engagement: We gave stakeholders opportunities to provide written submissions and held 2 virtual information sessions to inform stakeholders. We received 12 submissions over the course of the review. We also published an information booklet, which summarises key aspects of our review, such as the prices, bill impacts and context, in an easy-to-read format.</p> <p>Benefits/outcomes: We applied our established methodology during the determination and adapted our approach to account for developments in the electricity market environment. Overall, we forecast an increase in the underlying cost of supplying energy to most customers, which is reflected in the notified prices (although annual bills for small customers will be reduced by state and federal government rebates).</p>
<p>South-east Queensland electricity market monitoring 2023-24</p>	<p>We monitored and reviewed the operation of the retail electricity market in south-east Queensland (in the Energex distribution area) from 1 July 2023 to 30 June 2024.</p>	<p>Completed</p>	<p>Timeliness and transparency: We published the annual market monitoring report for 2022-23 on 21 December 2023 and continued to monitor the market for the period from 1 July 2023 to 30 June 2024.</p> <p>Stakeholder engagement: We do not undertake stakeholder consultation as part of monitoring the retail electricity market. Fact sheets published alongside the annual report make the key findings clear in a concise format.</p> <p>Benefits/outcomes: Whilst south-east Queensland is deregulated, our work in monitoring and comparing prices and offerings by electricity retailers helps the Queensland Government to assess the extent to which customers have the opportunity to benefit from deregulation.</p>

Project	Background	Status	Summary
Solar feed-in tariff 2024-25	We were directed under s. 93 of the Electricity Act 1994 to determine a solar feed-in tariff for regional Queensland.	Completed	<p>Timeliness and transparency: We published the solar feed-in tariff report by 7 June 2024, as required. We also provided a fact sheet that summarises how the tariff was calculated.</p> <p>Stakeholder engagement: We did not undertake stakeholder consultation, consistent with the Minister's direction. A fact sheet was published alongside the final report presenting the key review findings in a concise format.</p> <p>Benefits/outcome: The 2024-25 feed-in tariff for regional Queensland is 12.377 cents per kilowatt hour (c/kWh), which is 7.9% lower than last year's feed-in tariff of 13.441 c/kWh. This decrease is driven mainly by decreases in the trade-weighted price of base contracts relative to last year as well as a changing demand profile.</p>
Solar feed-in tariff monitoring 2022-23	The Queensland Government has directed us to report on solar feed-in tariffs (feed-in tariffs) offered to residential and small business customers in south-east Queensland on an annual basis. This report is our seventh annual report and covers the period from 1 July 2022 to 30 June 2023.	Completed	<p>Timeliness and transparency: We published the south-east Queensland solar feed-in tariff monitoring report on 26 October 2023.</p> <p>Stakeholder engagement: We do not undertake stakeholder consultation as part of monitoring the south-east Queensland solar feed-in tariffs. A media release published alongside the annual monitoring report provided a short overview of the key findings.</p> <p>Benefits/outcome: In south-east Queensland, feed-in tariffs are set by retailers. Customers can access a wide range of solar feed-in tariffs, because retailers in the competitive south-east Queensland market use various pricing strategies to recover costs and target different customer segments. Although the number of retailers offering retail plans with feed-in tariffs decreased in 2022-23 compared to the year before, there were still 25 retailers offering feed-in tariffs to small customers in the June quarter of 2023. Our report illustrated that retail plans with the highest feed-in tariffs did not deliver the lowest net bills for every customer.</p>

Our people and workforce profile

As at 30 June 2024, we employed 39.4 full-time equivalent employees (headcount totalled 41) in a range of technical and support roles. Twelve permanent employees (30%) have worked for us for more than 15 years, including two for more than 20 years. Employees who have worked for us for more than 10 years made up 60% of the staff, and 80% have worked for us for more than 5 years. This year we also employed 3 graduate analysts and provided an opportunity for a post-graduate student to undertake project work on a casual basis.

Queensland public service values

The Queensland public service values are:

- Customers first
- Ideas into action
- Unleash potential
- Be courageous
- Empower people.

Our values align with these values. We aim to be a high-performing, impartial and productive workplace.

QCA ethics principles

We continued to value, actively support, and promote an ethical workplace throughout 2023-24.

The QCA code of conduct for employees provides employees with an outline of ethical considerations to guide decision-making. It also offers guidance where there may be conflicts of interest, to ensure consistent ethical standards are adopted. The code of conduct is based on the 4 ethics principles that are fundamental to good public administration and is consistent with the *Public Sector Ethics Act 1994*. The principles are:

- Integrity and impartiality
- Promoting the public good
- Commitment to the system of government
- Accountability and transparency.

All employees must take personal responsibility for upholding this code and demonstrating the principles and values of the *Public Sector Ethics Act 1994* in the performance of their duties. New employees receive training on the code of conduct and respect in the workplace during their induction, and all staff continue to undertake online refresher training twice a year.

Diversity and workplace equity

We are committed to having a workplace that is fair and inclusive, promotes our values and positive workplace culture and reflects diversity. Workplace equity and anti-discrimination principles remain enshrined in our policies and procedures.

Consistent with our Diversity and Inclusion Strategy, we conducted a staff diversity and inclusion survey in late 2023, and staff suggestions are progressively being implemented. We also have a

comprehensive set of policies on expected workplace behaviours. To reinforce these messages, staff complete a 'respect in the workplace' refresher twice a year, we appointed 2 contact officers, and we acknowledge celebratory and awareness days, such as International Women's Day.

Workforce planning

Our staffing levels are based on the annual operational plan and projected resources required for projects. We also engage consultants or contract staff for specialist advice and, if necessary, for meeting peak activity demands.

Mentoring program

Our mentoring program provides an opportunity for a mutually beneficial mentoring relationship between participants. The program is designed to enhance professional development and increase reflection on performance and career goals, encourage and develop leadership at all levels of the QCA, improve performance and achievement, and encourage a culture of support and guidance.

Employee development and performance management framework

Employee learning and development is supported by a comprehensive training and development matrix, which provides information on relevant courses and programs for all employees, as well as leadership development programs. All employees are encouraged to develop an individual learning development plan, to ensure training options are targeted to meet their specific needs and to enhance their professional development. Formal study by staff is also supported by the QCA's Study and Research Assistance Scheme.

The corporate induction program for new employees covers HR and general QCA policies (including the code of conduct and public interest disclosure policy), health and safety, document management, IT and systems induction, corporate style and writing tips, and general orientation.

The performance framework for employees is centred on setting KPIs annually. The results of annual KPI reviews are considered as part of the annual salary review process. Feedback from this process also informs decisions regarding placement of employees on projects and suitability for promotions.

Knowledge sharing and team connectivity

This year, employees were again provided with the opportunity to learn from experienced colleagues and to develop professional and personal skills via regular lunch-and-learn forums conducted on-site.

Leadership development framework

Our Leadership Development Plan provides a framework that supports and develops our leaders and shapes the QCA leadership culture. The plan is mainly aimed at the senior leadership team, existing corporate/project/program leaders and emerging leaders. This plan is complemented by a matrix of leadership competencies and relevant training and development options for all target groups.

Our Young Professionals Group continues to develop early leadership building blocks and a peer coaching culture.

Work-life balance

We encourage our employees to maintain a healthy work-life balance. During the year, 98% of employees were able to work from home. Additionally, 12% of employees work part-time, and 24% of staff either worked a 19-day month or purchased additional leave.

Our employees are encouraged to use annual leave accruals between projects, ensuring appropriate periods of revitalisation. We also have a private retreat/mother's room available to employees as needed.

Support for mental and physical wellbeing

We have a longstanding commitment to employee safety and wellbeing via our Health and Wellbeing Program, which proactively supports employee good health. Employees had access to practical health services such as flu vaccinations, skin checks and health assessments. In addition, all employees had access to specialist advice, counselling and support through the QCA's Employee Assistance Program. Services available included personal counselling, manager hotline services, resilience programs, physical health and wellbeing coaching, and monthly webinars.

A number of health awareness events (including mental health awareness) were held, including an EAP Lunch and Learn, 'R U OK? Day', Push for Better challenge and 10,000 Steps challenge, which boosted engagement and provided information and resources to employees. Mental health first aid training was completed by 15 employees, who are now accredited mental health first aiders.

Our end-of-trip facilities (showers and changerooms) are well used by staff who exercise on their way to and from work, or during their lunch break.

Employee safety remains a priority for us. In 2023-24, there were no workplace incidents that resulted in lost time due to injury. All new employees participated in an ergonomic workstation assessment with a qualified physiotherapist or WHS advisor. All employees must complete an ergonomic checklist annually, and if they change residences.

Hybrid way of working

Staff have continued to embrace hybrid work arrangements under which they work in a combination from the office and remotely. Productivity remains high, with staff communicating often and collaborating effectively on projects. We embraced working differently, by being flexible and using technology to enhance work practices.

Industrial and employee relations framework

Quarterly all-staff meetings give employees the opportunity to raise and discuss workplace issues. In addition, our intranet is a forum for feedback on any policies or procedures that affect employees' employment or employment conditions.

Early retirement, redundancy and retrenchment

No redundancy, early retirement or retrenchment packages were paid during the period.

Workplace composition

Workforce profile as at 30 June 2024

	Total employees	Male	Female	NESB*	AT&TSI**
Chief Executive Officer	1	1	0	0	0
Directors	3	2	1	0	0
Technical employees	27	20	7	2	0
Support employees	10	4	6	2	0
Total	41	27	14	4	0

*Non-English speaking background (voluntary disclosure)

**Aboriginal and/or Torres Strait Islander (voluntary disclosure)

Staff demographics – age and gender as at 30 June 2024



Flexible work arrangements as at 30 June 2024

	Employees with flexible arrangements	Part-time employees	Employees who purchased leave
Female	13	3	2
Male	27	2	2
NESB*	4	0	0
Technical staff	30	3	3
Support staff	10	2	1

*Non-English speaking background (voluntary disclosure)

Our publications

Publications released and submissions received

Project	Publications	Submission
Regulated retail electricity prices for regional Queensland 2024-25	10	12
Regional Queensland solar feed-in tariff 2024-25	1	0
Review of guaranteed service levels 2025-30	5	7
Queensland Rail's 2025 draft access undertaking	5	17
GAWB mid-term price monitoring	1	2
GAWB 2025-30 price monitoring investigation	2	8
Irrigation price investigation 2025-29	15	63
Climate change related expenditure review 2022-23	2	0
Rate of return review	6	
General compliance – Aurizon Network	28	30
General compliance – DBI Management	1	2
General compliance – Queensland Rail	2	1
General compliance – Energy	10	0
Competitive neutrality	0	19
Corporate documents	1	0
Total	89	161

Publicly available publications

Publicly available documents are available on our website (www.qca.org.au). Hard copies can also be obtained by contacting us.

Release date	Publication
2024	
June 2024	Queensland Rail's 2025 draft access undertaking – draft decision
June 2024	Regulated retail electricity prices for regional Queensland 2024-25 – final determination
	Regulated retail electricity prices for regional Queensland 2024-25 – appendices
	Regulated retail electricity prices for regional Queensland 2024-25 – information booklet
	Regulated retail electricity prices for regional Queensland 2024-25 – media release
June 2024	Solar feed-in tariff for regional Queensland 2024-25 – final determination
June 2024	Queensland Rail's 2022-23 capital expenditure claim – final decision
June 2024	Aurizon Network's infrastructure rebates and GAPE RCS DAAU – stakeholder notice
June 2024	Aurizon Network's 2022-23 RAB roll-forward – decision
May 2024	Aurizon Network's 2024 system rules – final decision
	Aurizon Network's 2024 system rules – letter to Aurizon Network
	Regulated retail electricity prices for regional Queensland 2024-25 – draft determination
	Regulated retail electricity prices for regional Queensland 2024-25 – appendices
	Regulated retail electricity prices for regional Queensland 2024-25 – information booklet
	Regulated retail electricity prices for regional Queensland 2024-25 – media release
	Regulated retail electricity prices for regional Queensland 2024-25 – presentation pack information sessions
May 2024	Pembroke Resources Olive Downs private incremental cost claim – final decision
May 2024	Aurizon Network's annual review of reference tariffs 2024-25 – decision notice
May 2024	Queensland Rail's 2022-23 capital expenditure claim – draft decision
April 2024	Aurizon Network's 2024 system rules – QCA final view on original proposal: request revision

Release date	Publication
April 2024	Aurizon Network's 2023-24 adjustment charges: GAPE and Newlands pricing DAAU – final decision
April 2024	Aurizon Network's 2022-23 capital expenditure claim – final decision
April 2024	Pembroke Resources Olive Downs private incremental cost claim – draft decision
March 2024	Aurizon Network's 2024 system rules – QCA preliminary view on original proposal
February 2024	Queensland Rail's 2025 draft access undertaking – notice: Queensland Rail 2025 DAU responsive submissions
February 2024	Aurizon Network – December 2023 GAPE and Newlands pricing DAAU – decision notice
February 2024	Rate of return review – update report
	Rate of return review – updated workbook
	Rate of return review – updated report: stakeholder notice
February 2024	GAWB bulk water price monitoring investigation for 2025-30 - notice of investigation
	GAWB bulk water price monitoring investigation for 2025-30 – guidance notice
February 2024	Irrigation price investigation 2025-29 – workshop presentation (Sunwater schemes)
	Irrigation price investigation 2025-29 – workshop presentation (Seqwater schemes)
	Irrigation price investigation 2025-29 – Bundaberg workshop summary
	Irrigation price investigation 2025-29 – Clare workshop summary
	Irrigation price investigation 2025-29 – Emerald workshop summary
	Irrigation price investigation 2025-29 – Gatton workshop summary
	Irrigation price investigation 2025-29 – Giru workshop summary
	Irrigation price investigation 2025-29 – Mackay workshop summary
	Irrigation price investigation 2025-29 – Mareeba workshop summary
	Irrigation price investigation 2025-29 – Monto workshop summary
	Irrigation price investigation 2025-29 – Murgon workshop summary
	Irrigation price investigation 2025-29 – Online workshop (Sunwater schemes) summary
	Irrigation price investigation 2025-29 – Pittsworth workshop summary
February 2024	DBIM's 2021 access undertaking extension DAAU – decision letter
January 2024	Irrigation price investigation 2025-29 – draft workshop schedule
	Irrigation price investigation 2025-29 – updated workshop schedule

Release date	Publication
2023	
December 2023	Aurizon Network – December 2023 GAPE and Newlands pricing DAAU – stakeholder notice 1
December 2023	Regulated retail electricity prices for regional Queensland 2024-25 – interim consultation paper
December 2023	Review of guaranteed service levels 2025-30 – final decision
	Review of guaranteed service levels 2025-30 – amended Electricity Distribution Network Code (v5)
December 2023	SEQ retail electricity market monitoring – report
	SEQ retail electricity market monitoring – appendices
	SEQ retail electricity market monitoring – fact sheet: assisted customers
	SEQ retail electricity market monitoring – fact sheet: residential customers
	SEQ retail electricity market monitoring – fact sheet: small business customers
	SEQ retail electricity market monitoring – media release
November 2023	Aurizon Network’s revenue adjustment amounts 2022-23 – decision notice
November 2023	Queensland Rail 2025 draft access undertaking – statement of regulatory intent
	Queensland Rail 2025 draft access undertaking – notice of investigation and time periods
	Queensland Rail 2025 draft access undertaking – topics for stakeholder comments
November 2023	DBIM’s 2021 access undertaking extension DAAU – initial stakeholder notice
November 2023	Aurizon Network – GAPE and Newlands pricing DAAU – final decision
	Aurizon Network – GAPE and Newlands pricing DAAU – cover letter to Aurizon Network re final decision
October 2023	Aurizon Network – reset Schedule F values – QCA decision
	Aurizon Network – reset Schedule F values – letter to Aurizon Network
October 2023	GAWB price monitoring – midterm review 2023 – report
October 2023	Aurizon Network – 2022-23 maintenance cost claim – letter to Aurizon Network
October 2023	QCA annual report 2022-23
October 2023	SEQ feed-in tariff monitoring 2022-23 – report
	SEQ feed-in tariff monitoring 2022-23 – appendix C (supplementary data)
	SEQ feed-in tariff monitoring 2022-23 – public dataset

Release date	Publication
September 2023	Climate change expenditure review 2023 – final position paper
	Climate change expenditure review 2023 – guideline on climate change related spending
September 2023	Aurizon Network’s 2022-23 capital expenditure claim – stakeholder notice
September 2023	Aurizon Network – review of the independent expert – letter to Coal Network Capacity Company
September 2023	Aurizon Network – transitional arrangements to address existing capacity deficits – September determination
	Aurizon Network – transitional arrangements to address existing capacity deficits – letter to Aurizon Network
September 2023	Guaranteed service level scheme annual report – 2022-23 annual report
August 2023	Aurizon Network’s rebate mechanism DAAU – final decision notice
August 2023	Aurizon Network – GAPE and Newlands pricing DAAU – draft decision
	Aurizon Network – GAPE and Newlands pricing DAAU – stakeholder notice 2: updated notice of time periods
July 2023	Aurizon Network’s rebate mechanism DAAU – stakeholder notice
July 2023	Review of guaranteed service levels 2025-30 – draft decision
	Review of guaranteed service levels 2025-30 – draft amended Electricity Distribution Network Code (v5)
	Review of guaranteed service levels 2025-30 – final consultation notice
July 2023	Rate of return review – updated report: stakeholder notice
	Rate of return review – updated report
	Rate of return review – updated workbook
July 2023	Aurizon Network’s rebate mechanism DAAU – stakeholder notice

Financial statements

Statement of comprehensive income

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Income from Continuing Operations			
Fees	2	8,217,057	5,494,438
Government Grant	3	4,000,000	4,000,000
Other Income	4	664,866	310,301
Total Income from Continuing Operations		12,881,923	9,804,739
Expenses from Continuing Operations			
Members' Expenses		439,526	434,275
Employee Expenses	5	7,352,081	6,983,363
Supplies and Services	8	1,933,503	1,337,077
Finance Costs - Interest on Lease	13	108,956	135,013
Depreciation and Amortisation	12,13	939,778	942,743
Other Expenses	9	46,701	46,133
Total Expenses from Continuing Operations		10,820,545	9,878,604
Operating Result from Continuing Operations		2,061,378	(73,865)
Total Comprehensive Income		2,061,378	(73,865)

The accompanying notes form part of these financial statements

Statement of financial position

As at 30 June 2024

	Notes	2024 \$	2023 \$
Current Assets			
Cash and Cash Equivalents	10	11,273,475	8,894,352
Receivables	11	1,813,824	1,147,302
Prepayments		151,274	143,339
Total Current Assets		13,238,573	10,184,993
Non-Current Assets			
Plant and Equipment	12	600,742	752,056
Right-of-use Assets	13	2,228,841	2,971,785
Total Non-Current Assets		2,829,583	3,723,841
Total Assets		16,068,156	13,908,834
Current Liabilities			
Lease Liabilities	13	733,456	674,180
Payables	14	1,590,487	892,785
Accrued Employee Benefits	15	587,905	510,376
Total Current Liabilities		2,911,848	2,077,341
Non-Current Liabilities			
Lease Liabilities	13	1,658,967	2,392,427
Accrued Employee Benefits	15	62,000	65,103
Total Non-Current Liabilities		1,720,967	2,457,530
Total Liabilities		4,632,815	4,534,871
Net Assets		11,435,341	9,373,963
Equity			
Accumulated Surplus		11,435,341	9,373,963
Total Equity		11,435,341	9,373,963

The accompanying notes form part of these financial statements

Statement of changes in equity

For the year ended 30 June 2024

	Accumulated Surplus	
	2024	2023
	\$	\$
Balance 1 July	9,373,963	9,447,828
Operating Result from Continuing Operations	2,061,378	(73,865)
Other Comprehensive Income	-	-
Total Comprehensive Income	2,061,378	(73,865)
Balance 30 June	11,435,341	9,373,963

The accompanying notes form part of these financial statements

Statement of cash flows

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Cash flows from operating activities			
<i>Inflows:</i>			
Government Grant		4,000,000	4,000,000
Fees		7,559,459	5,775,087
Interest		503,247	283,860
Other		148,202	1,650
GST collected		896,419	676,906
GST input tax credits from ATO		352,034	388,367
		13,459,361	11,125,869
<i>Outflows:</i>			
Members' Expenses		(439,526)	(434,275)
Employee Expenses		(7,249,142)	(7,201,176)
Supplies and services		(1,301,153)	(1,237,088)
Finance costs		(108,956)	(135,013)
GST paid to Suppliers		(364,548)	(317,541)
GST remitted to ATO		(897,218)	(676,906)
		(10,360,543)	(10,001,999)
Net cash provided by / (used in) operating activities		3,098,818	1,123,871
Cash flows from investing activities			
<i>Outflows:</i>			
Payments for Plant and Equipment		(45,517)	(96,881)
Net cash provided by / (used in) investing activities		(45,517)	(96,881)
Cash flows from Financing activities			
<i>Outflows:</i>			
Lease payments		(674,178)	(648,122)
Net cash provided by / (used in) Financing activities		(674,178)	(648,122)
Net increase/(decrease) in cash and cash equivalents		2,379,123	378,868
Cash and cash equivalents at beginning of financial year		8,894,352	8,515,484
Cash and cash equivalents at end of financial year	10	11,273,475	8,894,352

The accompanying notes form part of these financial statements

Notes to and forming part of the financial statements

For the year ended 30 June 2024

Note 1: Basis of Financial Statement Preparation

(a) General Information

These financial statements cover the Queensland Competition Authority (QCA). The QCA is a statutory body established under the *Queensland Competition Authority Act 1997* (QCA Act).

The objective of the QCA is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements. The head office and principal place of business of the QCA is Level 27, 145 Ann Street, Brisbane Queensland 4000.

(b) Compliance with Prescribed Requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*.

These general purpose financial statements are prepared in accordance with the disclosure requirements of Australian Accounting Standards - Simplified Disclosures. The financial statements comply with the recognition and measurement requirements of all Australian Accounting Standards and Interpretations applicable for not-for-profit entities, and the presentation requirements in those standards as modified by AASB 1060.

(c) The Reporting Entity

The QCA does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity of the QCA as an individual entity.

(d) Underlying Measurement Basis

The historical cost convention is used unless otherwise stated.

The financial statements are prepared on an accruals basis, with the exception of the statement of cash flows which is prepared on a cash basis.

(e) Presentation Matters

Currency and Rounding

Amounts included in financial statements are in Australian dollars, are rounded to the nearest dollar and may not add to the correct sub-totals or totals due to rounding.

Comparatives

Comparative information reflects the audited 2022-23 financial statements. Comparative information is restated where necessary to be consistent with disclosures in the current reporting period. There have been no material restatements during the year.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or when the QCA does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

(f) New and revised accounting standards

First time mandatory application of Australian Accounting Standards and Interpretations

No new accounting pronouncements applicable for the first time in 2023-24 had a material effect on the QCA.

Early adoption of Australian Accounting Standards and Interpretations

The QCA did not early adopt any new accounting pronouncements in the 2023-24 financial year.

Voluntary changes in accounting policy

The QCA did not voluntarily change any of its accounting policies during 2023-24.

(g) Authorisation of Financial Statements for issue

The financial statements were authorised for issue by the Chair and the Chief Executive Officer at the date of signing the Management Certificate.

Note 2:

Fees	2024	2023
	\$	\$
Fees	8,217,057	5,494,438
Total	8,217,057	5,494,438

Accounting Policy

Fee revenue is recognised in the accounting period in which the services are rendered and is in compliance with the requirements set out in the *Queensland Competition Authority Regulation 2018*.

The *Queensland Competition Authority Regulation 2018* only permits the QCA to charge fees for providing a service or performing a function that is no more than the reasonable cost of providing that service or performing that function. Regulatory fee income is calculated based on the associated costs of providing the related services.

Any regulatory fee income received in excess of the costs of providing the related services in a year is disclosed in the Statement of Financial Position as a payable (Accrued Fees Payable per Note 14). All amounts payable are repaid in the next financial year.

Any cost of providing the regulated services in excess of the regulated fee income received in a year is disclosed in the Statement of Financial Position as a receivable and is recognised as revenue in the Statement of Comprehensive Income. All amounts receivable are invoiced in the subsequent financial year.

Note 3:

Government Grant	2024	2023
	\$	\$
Grant - Queensland Treasury	4,000,000	4,000,000
Total	4,000,000	4,000,000

Accounting Policy

The Government grant is recognised upon receipt of the grant funding. The grant is non-reciprocal in nature.

Where the grant agreement is enforceable and contains specific performance obligations for the QCA to transfer services to a third party on the grantor's behalf, the grant is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred as unearned revenue (contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding except for special purpose capital grants received to construct non-financial assets to be controlled by the QCA. The QCA did not receive any specific purpose capital grants in this financial year.

Disclosure - Grants and other contributions

The grant received from Queensland Treasury is accounted for under AASB 1058.

Note 4:

Other Income	2024	2023
	\$	\$
Interest	516,664	310,301
Other	148,202	-
Total	664,866	310,301

Note 5:

Employee Expenses	2024	2023
	\$	\$
Employee Benefits		
Salaries	5,458,930	5,045,332
Annual Leave	441,307	548,813
Sick Leave	176,742	198,315
Employer Superannuation Contributions	726,346	626,007
Long Service Leave Central Scheme Levy	141,333	129,147
Employee Related Expenses		
Payroll tax	291,897	296,511
Staff Training Costs	59,720	93,114
Staff Recruitment Costs	22,400	7,121
Other Staff Expenses	19,277	25,205
Workers Compensation Premium	14,129	13,798
Total	7,352,081	6,983,363
The number of employees including both full time employees and part time employees measured on a full time equivalent basis at the end of each year is:	39.0	37.7

Disclosure - Superannuation

Employer Superannuation Contributions		
Staff (included in employee expenses in the statement of comprehensive income)	726,346	626,007
Members (included in members' expenses in the statement of comprehensive income)	42,260	35,511
Total	768,606	661,518

Accounting Policies

Salaries and sick leave

Salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As the QCA expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual and long service leave

Annual leave liabilities are accounted for as short term employee benefits and are presented as current liabilities as QCA does not have an unconditional right to defer payment for at least 12 months after the end of the reporting period. Annual leave liabilities are measured at the present value of the expected future payments to be made to employees. Expected future payments take into account anticipated future salaries and anticipated future leave requirements of staff. These are discounted at rates at the end of the reporting period on government bond rates at the end of the reporting period that coincides with the expected timing of estimated future payments.

All directly associated on-costs (for example employer superannuation contributions, payroll tax and worker's compensation insurance) are also recognised as liabilities.

The QCA joined the State Government's Long Service Leave Central Scheme (the Scheme) from 1 July 2002. Under the Scheme, a levy is made on the QCA to cover this expense. Amounts paid to employees for long service leave are claimed from the Scheme quarterly in arrears.

No provision for long service leave is recognised in the Financial Statements from 1 July 2002, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Staff Retention Scheme

Included in accrued employee benefits is the amount payable to staff under the QCA's staff retention scheme. Eligible staff are entitled to a payment following continuous service to the QCA after three and after six years. The amount recognised is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate estimates of future salaries, duration of current service and probability of employee turnover and are discounted at rates at the end of the reporting period on government bond rates. Upon measurement of obligations under the staff retention scheme, the net obligation is recognised in profit or loss as part of employee benefits expense.

Superannuation

Contributions to superannuation meet the minimum requirements of the *Superannuation Guarantee (Administration) Act 1992*. Contributions to employees' superannuation plans are charged as an expense as the contributions are paid or become payable. Employees of the QCA may elect to be members of QSuper or any other complying superannuation fund.

Other Employee Related Expenses

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Note 6: Key Executive Management Personnel and Remuneration Expenses

The key executive management personnel that had authority and responsibility for planning, directing and controlling the activities of the QCA during 2023-24 are detailed below.

Position	Responsibilities	Contract Classification and Appointment Authority
Chair	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. The Chair is also responsible for the collegiate functioning of the members and Ministerial liaison.	Governor in Council/QCA Act 1997
Deputy Chair	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. In the absence of the Chair, the Deputy Chair assumes the Chair's responsibilities.	Governor in Council/QCA Act 1997
Member	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act.	Governor in Council/QCA Act 1997
Chief Executive Officer	The Chief Executive Officer is responsible for management of the Authority in accordance with directions of the Members and the QCA Act.	Individual Contract issued by the Authority

The remuneration of Members is set by the Governor in Council. The remuneration of the Chief Executive Officer is set by Members of the Authority and detailed in an employment contract.

Total Remuneration comprises:

- Short term benefits which include:
 - Base - consisting of base salary and leave entitlements paid and provided for the entire year
 - Performance payment - based on a set of key performance indicators set by the Members at the beginning of each financial year that focus on the delivery of work plan and organisational goals.
 - Non-monetary benefits - consisting of other employment benefits together with fringe benefits tax applicable to the benefit
- Long term employee benefits consisting of payments towards long service leave entitlements
- Post employment benefits consisting of superannuation contributions
- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment.

The following disclosures focus on the expenses incurred by QCA during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

1 July 2023 - 30 June 2024

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Monetary Benefits	Non-Monetary Benefits				
	\$	\$	\$	\$	\$	\$
Chair (1/7/23-30/6/24)	132,582	-	-	16,904	-	149,486
Deputy Chair (1/7/23-30/6/24)	66,291	-	-	8,452	-	74,743
Member (1/7/23-30/6/24)	66,291	-	-	8,452	-	74,743
Member (1/7/23-30/6/24)	66,291	-	-	8,452	-	74,743
Chief Executive Officer (1/7/23-30/6/24)	449,582	-	9,441	27,406	-	486,430
Total Remuneration	781,037	-	9,441	69,666	-	860,145

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Monetary Benefits	Non-Monetary Benefits				
	\$	\$				
Chair (1/7/22-30/6/23)	135,282	-	-	14,205	-	149,486
Deputy Chair (1/7/22-30/6/23)	67,641	-	-	7,102	-	74,743
Member (1/7/22-30/6/23)	67,641	-	-	7,102	-	74,743
Member (1/7/22-30/6/23)	67,641	-	-	7,102	-	74,743
Chief Executive Officer (1/7/22-30/6/23)	447,658	-	9,401	25,206	-	482,264
Total Remuneration	785,863	-	9,401	60,717	-	855,981

Performance Payments

The 2022-23 remuneration package for the Chief Executive included a potential performance payment of up to a maximum of \$22,724 for successful completion of Board set key performance indicators. The assessment process for the performance payment yielded a performance payment of \$19,883 which was paid in the 2023-24 financial year.

The 2023-24 remuneration package for the Chief Executive Officer includes a potential performance payment of up to a maximum of \$23,292 for successful completion of Board set key performance indicators. The assessment process for calculating this years' performance payment has not commenced.

Note 7: Related Party Transactions

There were no related party transactions with the QCA's key management personnel in 2022-23 or 2023-24.

Note 8:

Supplies and Services	2024	2023
	\$	\$
Specialist Services	1,000,745	572,332
Occupancy Costs	194,019	126,515
Information Technology Costs	476,548	323,522
Travel and Accommodation Costs	36,122	15,615
Bank Fees and Charges	11,290	13,131
General Administration Costs	120,448	128,201
Other	94,331	157,761
Total	1,933,503	1,337,077

Note 9:

Other Expenses	2024	2023
	\$	\$
External Audit Fees*	28,350	27,000
Insurance Premiums	18,351	19,133
Total	46,701	46,133

*There are no non-audit services included in this amount.

Total audit fees quoted by the Queensland Audit Office relating to the 2023-24 financial statements are \$28,350 (2023: \$27,000).

Note 10:

Cash and Cash Equivalents	2024	2023
	\$	\$
Cash at Bank	3,588,865	1,563,480
Cash on Hand	500	500
Cash in QTC Cash Fund	7,684,110	7,330,372
Total	11,273,475	8,894,352

Accounting Policy

Cash assets include cash at bank, cash on hand and cash with Queensland Treasury Corporation (QTC). All cash amounts are at call and can be redeemed in under one working day at their face value. The QCA does not have any borrowing or overdraft facilities.

Note 11:

Receivables	2024	2023
	\$	\$
Other Receivables	68,841	73,230
Accrued Fee Income*	1,700,213	1,042,615
Sub Total	1,769,054	1,115,845
GST Receivable	44,770	32,257
GST Payable	-	(800)
Sub Total	44,770	31,457
Total Receivables	1,813,824	1,147,302

Accounting Policy

Trade Debtors are recognised at the nominal amounts due, with settlement generally being required within 30 days from invoice.

The collectability of receivables is assessed annually with provision being made for expected credit losses.

The receivable loss allowance calculation, based on the probability and timing of potential defaults has been assessed at zero for 2023-24, taking into account forecasts of future economic conditions as well as past events. There have been no bad debts.

*Accrued Income represents reasonable costs in excess of regulatory fees received that will be invoiced in the next financial year.

Note 12:

Plant and Equipment and Depreciation Expense	2024	2023
	\$	\$
(i) Plant and Equipment		
Plant and Equipment: At Cost	1,122,690	1,077,173
Less: Accumulated Depreciation	(521,948)	(325,117)
Total	600,742	752,056
(ii) Plant and Equipment Reconciliation		
	Plant and Equipment	
Carrying amount at 1 July 2023		752,056
Acquisitions		45,517
Depreciation Expense		(196,834)
Carrying amount at 30 June 2024		600,742

Accounting Policy

The Queensland Government's policy, titled *Non-Current Asset Policies for the Queensland Public Sector*, establishes prescribed asset measurement methods and recognition

thresholds. In accordance with this policy, the assets of the QCA are measured at current replacement cost. On acquisition, assets are valued at cost including all expenses necessary to have the asset ready for use. Items of plant and equipment with a cost value equal to or in excess of \$5,000 are recognised for financial purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

The carrying amounts for plant and equipment at cost approximate their fair value.

Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the QCA determines the asset's recoverable amount. Any amount by which the asset's carrying value exceeds the recoverable amount is recorded as an impairment loss and recognised immediately in the Statement of Comprehensive Income.

Depreciation Expense

Depreciation of plant and equipment is calculated on a straight line basis so as to allocate the net cost of each asset, less its estimated residual value, progressively over its estimated useful life to the QCA. Fixtures and fittings are depreciated over the lesser of the unexpired period of the QCA's building lease and the estimated useful life, while other plant and equipment is depreciated over the estimated useful life.

The estimation of the useful lives of assets is based on historical experience with similar assets and asset turnover practices of the QCA. Reassessments of useful life estimates are implemented prospectively.

In general, the following depreciation rate ranges have been used:

Plant and Equipment:	10% - 20%
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Note 13:

Leases	2024	2023
	\$	\$
Right of Use assets - Buildings		
Opening balance at 1 July	2,971,785	3,714,728
Depreciation charge	(742,944)	(742,943)
Closing balance 30 June	2,228,841	2,971,785
Lease Liabilities		
Current	733,456	674,180
Non-current	1,658,967	2,392,427
Total	2,392,423	3,066,607
Amounts recognised in profit or loss		
Interest expense on lease liabilities	108,956	135,013
Depreciation on Right-of-Use assets	742,944	742,943
Total	851,900	877,956
Total cash outflow for leases	674,178	648,122

Accounting Policy

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), initial direct costs incurred and the initial estimate of restoration costs (where applicable). Subsequent to initial recognition, right-of-use assets are measured at cost.

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the QCA is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise:

- fixed payments (less any lease incentives receivable),
- variable lease payments that depend on an index or rate (initially measured using the index or rate as at the commencement date),
- the amount of residual guarantees,
- the exercise price of a purchase option (where the QCA is reasonably certain to exercise the option); and
- payments for termination penalties (if the lease term reflects the early termination).

The QCA's incremental borrowing rate is used when measuring the lease liability for the lease of office premises as the interest rate implicit in the lease cannot be readily determined. The incremental borrowing rate used is the fixed loan rate published by the Queensland Treasury Corporation that corresponds to the lease's commencement date and lease term.

Lease instalments paid will be split between interest expense and a reduction in the Lease Liability. The Right of Use Asset is amortised over the term of the lease.

Disclosure - Leases

A lease was entered into commencing 1 July 2022, which expires on 30 June 2027. The lease is calculated with annual increases of 3.75% after the second year. There is a 5 year option beyond the expiry date. The QCA has not included the optional period in the lease term as it is not reasonably certain to exercise the option.

A bank guarantee in favour of the Landlord for \$545,040 being equivalent to six months rent has been issued for the lease of level 27 in 145 Ann Street which commences on 1 July 2022. This is enforceable should the QCA default on its lease commitments.

	2024	2023
	\$	\$
Lease Liability Maturity		
Undiscounted future lease payments included in the lease liability are as follows.		
Not later than one year	814,736	783,138
Later than one year but not later than five years	1,728,714	2,543,452
Less discounting of lease payments to present value	(151,026)	(259,983)
Lease liabilities at 30 June	2,392,423	3,066,607

Note 14:

Payables	2024	2023
	\$	\$
Accrued Expenses	132,775	135,608
Trade Creditors	23,182	-
Audit Fees Payable	28,350	27,000
Accrued Fees Payable*	1,406,180	730,177
Total	1,590,487	892,785

*Accrued Fees Payable represents reasonable costs less than the regulatory fees received that will be repaid in the next financial year. Refer to accounting policy at Note 2 for further information.

Note 15:

Accrued Employee Benefits	2024	2023
	\$	\$
Current		
Annual Leave	550,144	489,398
Staff Retention Scheme	37,761	20,978
Total	587,905	510,376
Non-Current		
Staff Retention Scheme	62,000	65,103
Total	62,000	65,103

Accounting policies for employee benefit liabilities are disclosed in note 5.

Note 16: Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the QCA becomes a party to the contractual provisions of the instrument.

Classification

The QCA's only financial assets and liabilities are as follows and they are measured at:

- Cash and cash equivalents - held at amortised cost
- Receivables - held at amortised cost
- Payables - held at amortised cost
- Lease Liabilities held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The QCA does not enter into, or trade with, such instruments for speculative purposes, nor for hedging.

Note 17: Other Information

Taxation

The activities of the QCA are exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). Input tax credits receivable and GST payable from/to the Australian Taxation Office have been recognised in the Statement of Financial Position.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Key Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of accounting estimates, assumptions, and management judgements that have the potential to cause a material impact on the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are included in the calculation of the following financial statement notes:

- Accrued Fee Income - note 11
- Depreciation - note 12

- Right of Use Assets and Lease Liabilities - note 13
- Accrued Fees Payable - note 14
- Accrued Employee Benefits - note 15

Climate related risk disclosure

The State of Queensland, as the ultimate parent of the QCA, has published a wide range of information and resources on climate change risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>

No adjustments to the carrying value of assets held by the QCA were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements.

No other transactions have been recognised during the financial year specifically due to climate-related risks impacting the QCA.

Certificate of Queensland Competition Authority

These general purpose financial statements have been prepared pursuant to s.62(1)(a) of the *Financial Accountability Act 2009* (the Act), s. 39 of the *Financial and Performance Management Standard 2019*, and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a. the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b. the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Competition Authority for the financial year ended 30 June 2024 and of the financial position of the Authority as at the end of that year.

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



.....
Chair
F Menezes
PhD U of I
22 August 2024



.....
Chief Executive Officer
C Millstead
BEcon (Hons) BA
22 August 2024

Independent auditor's report



INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Competition Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Competition Authority (the authority).

The financial report comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the certificate of Queensland Competition Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the authority's financial position as at 30 June 2024, and its financial performance and cash flows for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards – Simplified Disclosures.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the authority's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the Board for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the authority or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the authority's transactions and account balances to enable the preparation of a true and fair financial report.

mluwinga

23 August 2024

Martin Luwina
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Appendices

Appendix A: Glossary

Term	Definition
ACCC	Australian Competition and Consumer Commission
c/kWh	Cents per kilowatt hour
CNCC	Coal Network Capacity Company
QOCN	Central Queensland coal network
DAAU	Draft amending access undertaking
DAU	Draft access undertaking
DBCT	Dalrymple Bay Coal Terminal
DBI Management	Dalrymple Bay Infrastructure Pty Ltd Management
DMO	Default market offer
EC	Electric energy charge
EDNC	Electricity Distribution Network Code
Electricity Act	<i>Electricity Act 1994</i>
GAPE	Goonyella to Abbot Point expansion
GAWB	Gladstone Area Water Board
GOC	Government-owned corporation
GSL	Guaranteed Service Level
KPI	Key performance indicator
NESB	Non-English speaking background
PS Act	<i>Public Service Act 2022</i>
RCS	Remote control signalling
SBA	Significant business activity
QCA	Queensland Competition Authority
QCA Act	<i>Queensland Competition Authority Act 1997</i>
UT5	Aurizon Network's 2017 access undertaking
WACC	Weighted average cost of capital

Appendix B: Letter of compliance

Queensland Competition Authority

File ref: 2028682

6 September 2024

The Honourable Cameron Dick MP
Deputy Premier, Treasurer and
Minister for Trade and Investment
GPO Box 611
BRISBANE QLD 4001

Dear Deputy Premier

Queensland Competition Authority 2023-24 annual report

I am pleased to submit for presentation to the Parliament the annual report 2023-24 and financial statements for the Queensland Competition Authority.

I certify that this annual report complies with:

- The prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- The detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at pp 75-76 of this annual report.

Yours sincerely



Professor Flavio Menezes
Chair

Address | Level 27, 145 Ann Street, Brisbane, Queensland, Australia 4000
Post | GPO Box 2257, Brisbane QLD 4001

Call | 07 3222 0555
Online | www.qca.org.au

Appendix C: Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	74
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	i 73
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	77
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	77
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	Back of cover page
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	2–4, 16
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	16–42
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	12–14, 16–42
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	16–47
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	26, 49–67
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	10
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	5–9
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	11
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	25, 38
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	24
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6	38
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	25
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	N/A
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	24

Summary of requirement		Basis for requirement	Annual report reference
	• External scrutiny	ARRs – section 14.4	24
	• Information systems and recordkeeping	ARRs – section 14.5	24
	• Information Security attestation	ARRs – section 14.6	N/A
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	38–42
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	41
Open Data	• Statement advising publication of information	ARRs – section 16	26, 77
	• Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 31.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 31.3	N/A
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	68
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	69–71

FAA

Financial Accountability Act 2009

FPMS

Financial and Performance Management Standard 2019

ARRs

Annual report requirements for Queensland Government agencies

Annual report access

Additional copies

A copy of this report can be obtained by contacting us.

email annualreport@qca.org.au

mail Executive Assistant
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

tel 07 3222 0555

This report is available in PDF format on our website: <https://www.qca.org.au/our-role/>

Open data

Further information on the following is available through the Queensland Government's Open Data portal, <https://data.qld.gov.au>

- Consultancies 2023-24
- Overseas travel 2023-24.

Translating and interpreting assistance

We are committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, you can contact us on 07 3222 0555 and we will arrange an interpreter to assist you.



Feedback

Readers are encouraged to provide feedback on the contents or structure of this report by contacting us at annualreport@qca.org.au

ISSN 1839-213X

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