

# **Regulated retail electricity prices 2025-26**

## **Information booklet**

**Final determination  
June 2025**



# Summary

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The Treasurer, Minister for Energy and Minister for Home Ownership (the Minister) asked us to set notified prices for regional Queensland in 2025–26. This information booklet summarises key aspects of our final determination, which is available on our [website](#).

## Key takeaways

- We forecast an increase in underlying costs for most customers, which is reflected in the notified prices. While energy costs have generally decreased, network costs have increased.
- For our final determination, prices are based on updated information and stakeholder feedback, as well as the Australian Energy Regulator's (AER's) final decision on the default market offer.
- Notified prices for small customers are capped at the default market offer set by the AER for south-east Queensland. This lowered notified prices for small business customers, as well as prices for residential and small business customers on secondary load control tariffs.
- Due to changes in network tariffs, various retail tariffs will be changed or phased out. We encourage all customers to review their tariff options because they may be better off on a different tariff.
- We applied the same framework used in previous reviews. We considered factors outlined in the Electricity Act and in the Minister's delegation, including:
  - the network plus retail (N+R) cost build-up methodology, which includes regulated network costs (N component) and estimated energy and retail costs (R component)
  - the Queensland Government's uniform tariff policy (UTP), which means we set notified prices below actual supply costs for most customers.



We have developed an [online bill estimator tool](#) available on our website for residential and small business customers. The tool provides the estimated bill impact of the changes in notified prices, based on your own level of consumption and any solar exports.

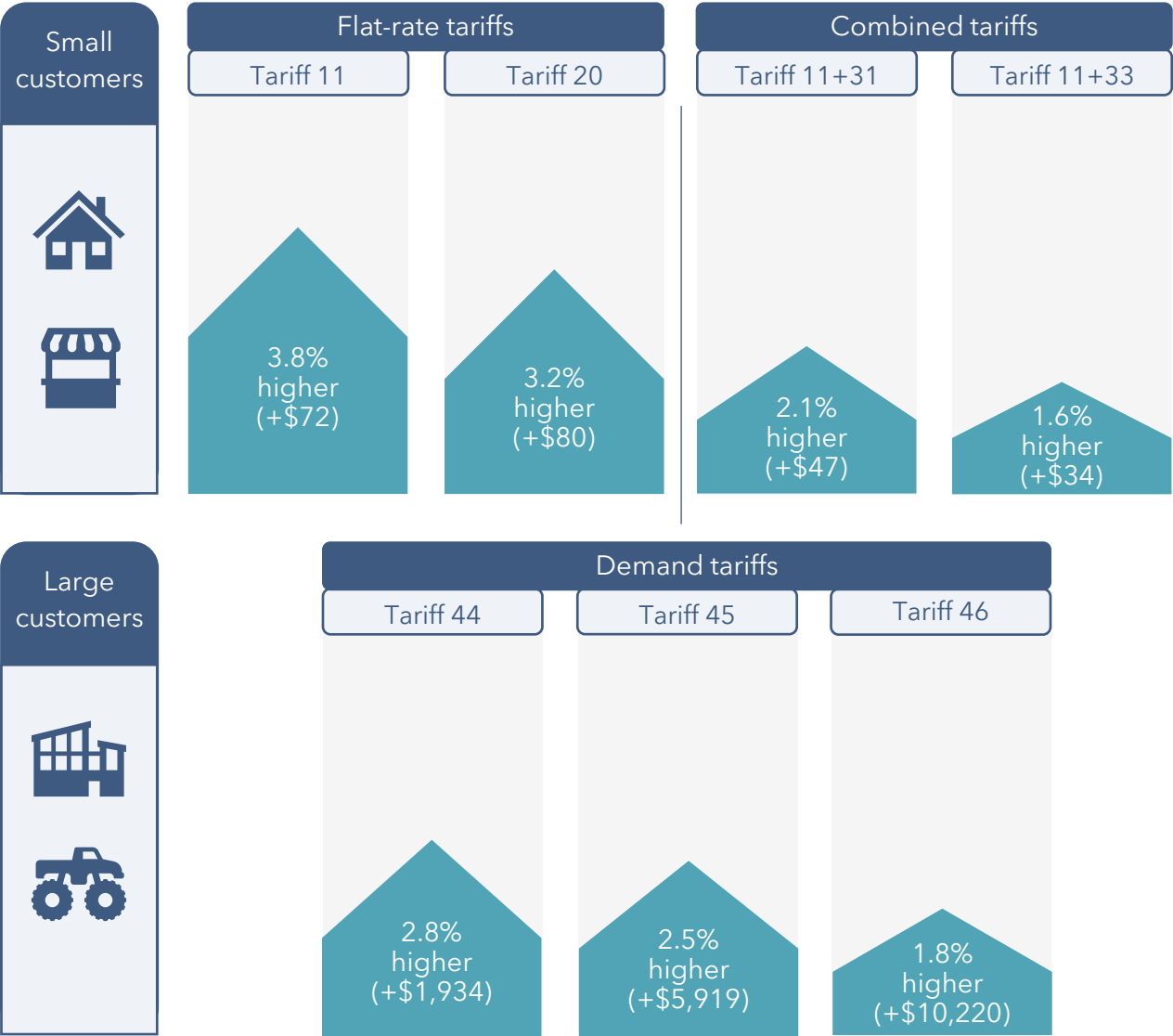


The notified prices for 2025–26 will apply from 1 July 2025.

# Higher prices in 2025–26

Notified prices are higher for most customers, largely due to an increase in network costs.

## Change in annual bills for typical customers (compared to 2024-25)

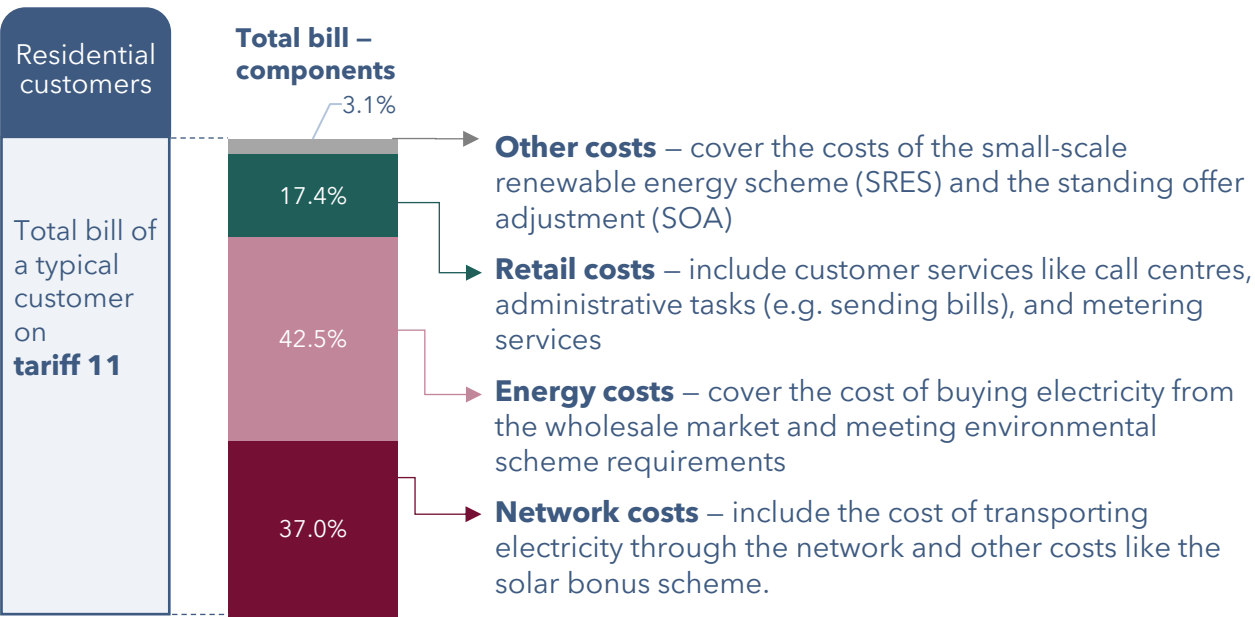


Notes: Bills are calculated based on 2025-26 median usage data for each tariff and include GST. Bill values have been rounded to the nearest dollar.

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

# Cost components of an electricity bill

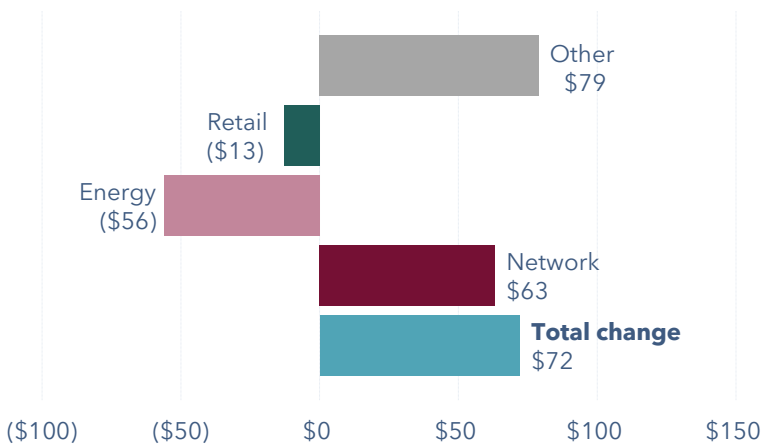
Individual cost components are included in the build-up of notified prices.



The annual bill will increase for residential customers.

## Change in cost components (2024-25 to 2025-26)

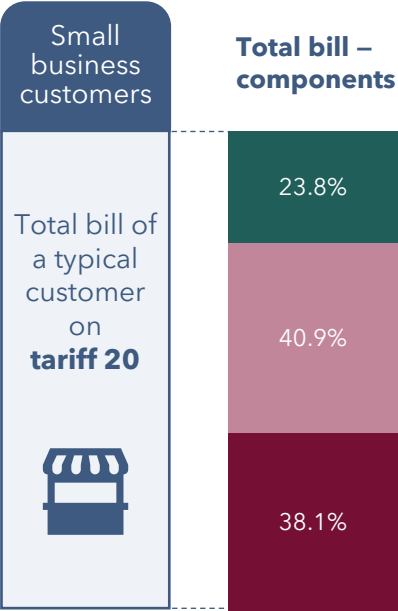
The UTP lets us set notified prices lower than the actual costs of supply for most customers (see page 6).



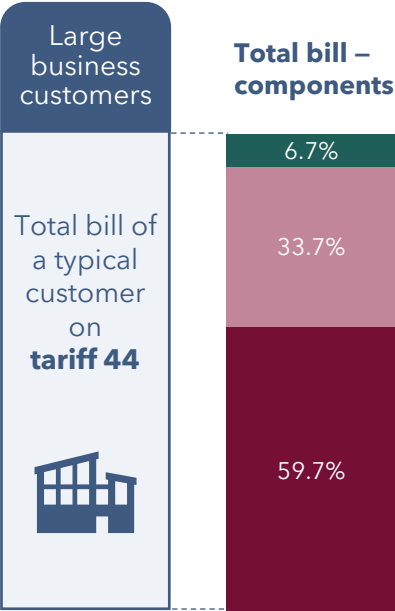
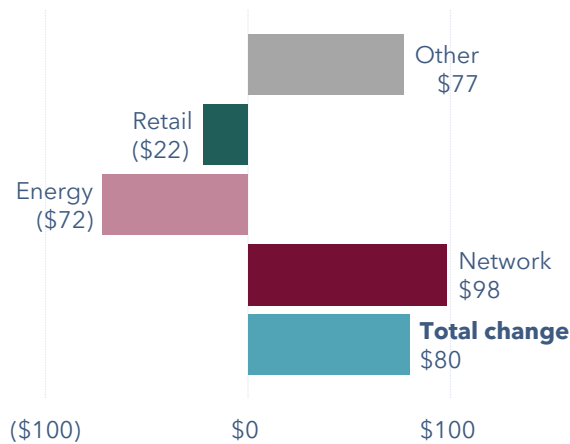
Note: The bill for tariff 11 (residential flat-rate) is used in the example above. Amounts have been rounded. The increase in other costs is due to the application of a 3.35% SOA this year, compared to -1.10% last year. Customers should be aware their actual bill will differ based on their individual energy consumption and any government rebates or concessions they receive.

# Cost components (continued)

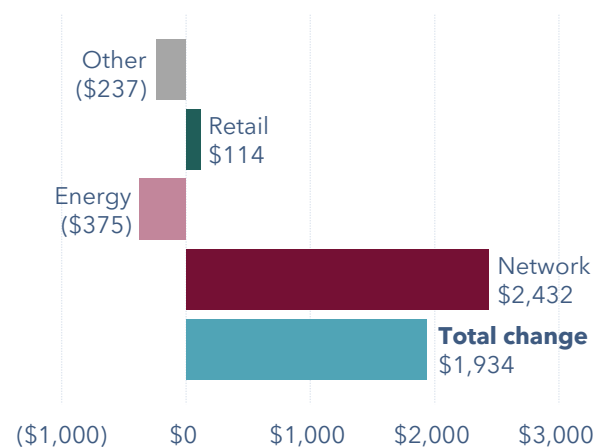
The annual bill will increase for small business and large customers.



Change in cost components (2024-25 to 2025-26)



Change in cost components (2024-25 to 2025-26)



Notes: The bills for tariffs 20 and 44 are used in the examples above. Amounts have been rounded. Customers should be aware their actual bill will differ based on their individual energy consumption and any government rebates or concessions they receive. As 'other costs' for tariffs 20 and 44 are negative this year, they are not displayed in the total bill component cost stack (other costs are negative: for tariff 20, due to the negative SOA and SRES costs; and for tariff 44, due to the negative SRES costs. The change in other costs for tariff 20 is positive this year due to applying a SOA of -2.58% this year compared to -5.80% last year).

# Reasons for the changes in costs



## Energy costs have decreased for most customers

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

Energy costs have decreased for most customers. Wholesale energy costs have decreased for small customers due to a 'flatter' demand profile (which is cheaper for a retailer to hedge) and a higher reliance on cap contracts. While there has been a small increase in wholesale energy costs for large customers, this has been offset by a decrease in other energy costs.

Our estimates for the final determination differ from our estimates in the draft determination, as we have used updated market data.



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

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

Advanced digital meter (ADM) costs are included in the retail cost component based on the expected rollout of ADMs in regional Queensland.

For small customers, the decrease in retail costs is due, in part, to the removal of legacy metering costs (these were previously accounted for in retail costs but are now included in network prices).



## Network costs have increased for most customers

Network costs are set by the AER, and we include these costs in notified prices. We have used the 2025-26 network prices approved by the AER in our determination, which are higher than in 2024-25.



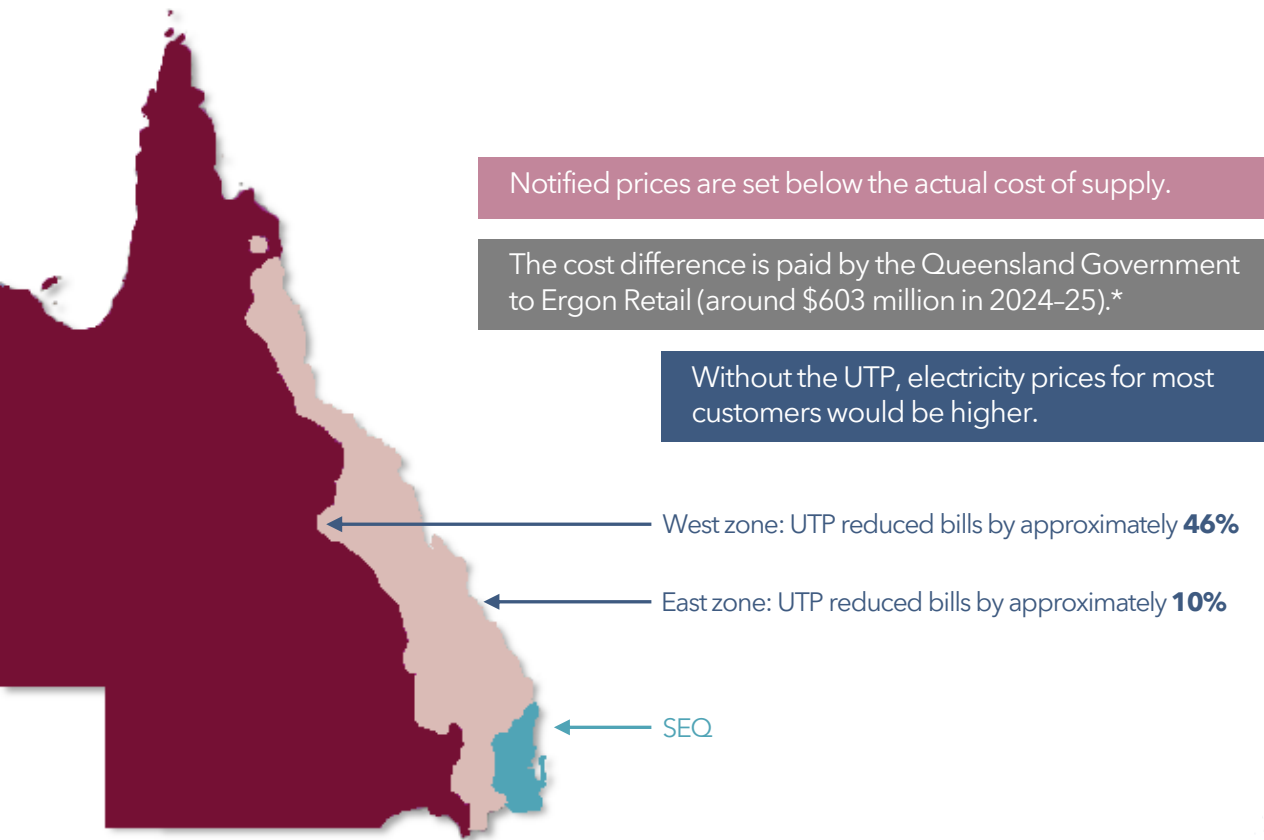
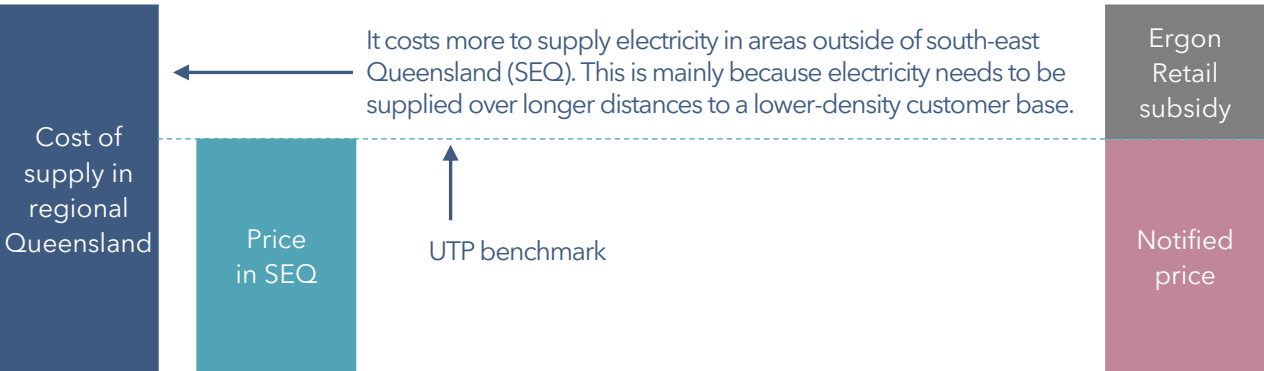
## Other costs have increased for small customers but decreased for large customers

Other costs include those for renewable energy schemes, which are negative this year. For small customers, other costs also include the standing offer adjustment (see page 7).

# Uniform tariff policy lowers prices

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

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



\* Expected amount, including around \$94 million for isolated systems.

# Notified prices compared to SEQ prices

After we compared notified prices with the DMO, we reduced small business customer tariffs and residential and small business secondary load control tariffs.

The Minister asked us to consider the costs and benefits of standing offers in SEQ, as well as the AER's default market offer (DMO) for customers in SEQ, when we set notified prices for small customers.

A standing offer is the default contract for customers not on a market contract. It ensures customers receive a basic service at a reasonable price. The DMO is the maximum price retailers can charge for standing offers in certain jurisdictions, including SEQ.

## 1 Standing offer adjustment (SOA)

We calculated a SOA of 3.35% for small customers to reflect the value of more favourable terms and conditions in standard contracts relative to market contracts. This is based on an assessment of additional fees that SEQ customers on market offers could incur (on top of their annual bill), which customers on standing offers would not incur.

## 2 DMO comparison

We made adjustments to enable a like-for-like comparison between the relevant notified price bills and the DMO reference bills in SEQ.\*



The notified prices bill for small business customers and residential customers with a secondary load control tariff (including a SOA of 3.35%) exceeded the relevant DMO reference bill for SEQ determined by the AER.

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

As a result of the DMO comparison, we reduced the SOA for:

- small business customer tariffs from 3.35% to -2.58%.  
This reduction was applied to all small business tariffs to maintain price relativity across the tariffs, resulting in lower bills for small business customers in regional Queensland
- small customer secondary load control tariffs from 3.35% to 1.36%.

As the notified prices bill for residential customers was below the relevant DMO reference bill for SEQ, we did not reduce the SOA for residential customer tariffs.

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



# Changes to network tariffs

Due to the changes in network tariffs, various retail tariffs are changing from 1 July 2025.

## Changes to retail tariffs

### Retail tariff made obsolete\*, with a 12-month phase-out date

T22B, T22C, T24A,  
T44\*\*, T50A

For these tariffs, there are changes to the underlying network tariffs. New retail tariffs are being introduced based on the new network tariff structure (available to new customers and existing customers that opt in).

T45\*\*, T46\*\*, T52A,  
T52B, T52C  
Already obsolete:  
T50, T62A, T65A,  
T66A

For these tariffs, the underlying network tariffs are being withdrawn and there will be no new retail tariff.

### Retail tariff extinguished immediately

T14B, T24B

The underlying network tariffs are being withdrawn. No transition period is provided because alternative tariffs are available, including tariffs of the same type (demand tariff), and the number of affected customers is limited.

### Retail tariff changed immediately

T12B\*\*\*, T12C\*\*\*,  
T14A\*\*\*, T33

Changes to the underlying network tariff structure are being implemented immediately. No transition period is provided as changes are relatively minor.

### New retail tariffs introduced

Large business time-of-use (TOU) energy tariff (T49), CAC TOU demand tariffs (T52D, T52E, T52F, T52G)

These are new large customer retail tariffs, which reflect the underlying network tariff structures.

\* Customers can access the tariff until the phase-out date, but the tariff is closed to new customers.

\*\* These tariffs will only be available to existing customers with ADMs. Customers accessing these tariffs with basic meters will need to move to a different tariff.

\*\*\* These tariffs will be extinguished and re-established as T12D, T12E and T14C, respectively.