

Final Decision: Regulated electricity prices for residential customers for 2015–16

The Queensland Competition Authority (QCA) sets regulated retail electricity prices for residential customers in Queensland.

On 18 June 2015, we released our final decision on the regulated electricity prices that will apply from 1 July 2015. In general, these are the prices that will apply if customers have not switched to a market contract.

This fact sheet explains how regulated prices for residential customers will change in 2015–16. Separate factsheets explain changes for business customers and provide an overview of our decision.

Overall, cost pressures are expected to ease in 2015–16. This is largely due to reductions in network costs, which have been a major driver of retail price increases in recent years.

The costs of purchasing wholesale energy and retail costs are similar to last year. The costs of the solar bonus scheme also continue to have an impact. The impact of each of these costs on your bill will depend on how much electricity you use and which tariffs you have.

The tables overleaf provide more information on changes in prices for residential tariffs.

Tariff 11

The main residential tariff is tariff 11. The charge for each kWh of electricity in tariff 11 will fall by 3.14

cents, while the daily fixed charge will increase by 23.31 cents per day. Since 2013–14, the QCA has been gradually re-balancing these two charges to reflect actual costs in south east Queensland. The change in 2015–16 is the last stage of this adjustment.

As a result of this adjustment, customers using less than around 3,800 kWh a year will see an increase in the tariff 11 component of their bill, while customers using more than 3,800 kWh will see a decrease.

The graphic below illustrates how and why bills will change in 2015–16 for a typical customer (with annual consumption of 4,053 kWh) on tariff 11.

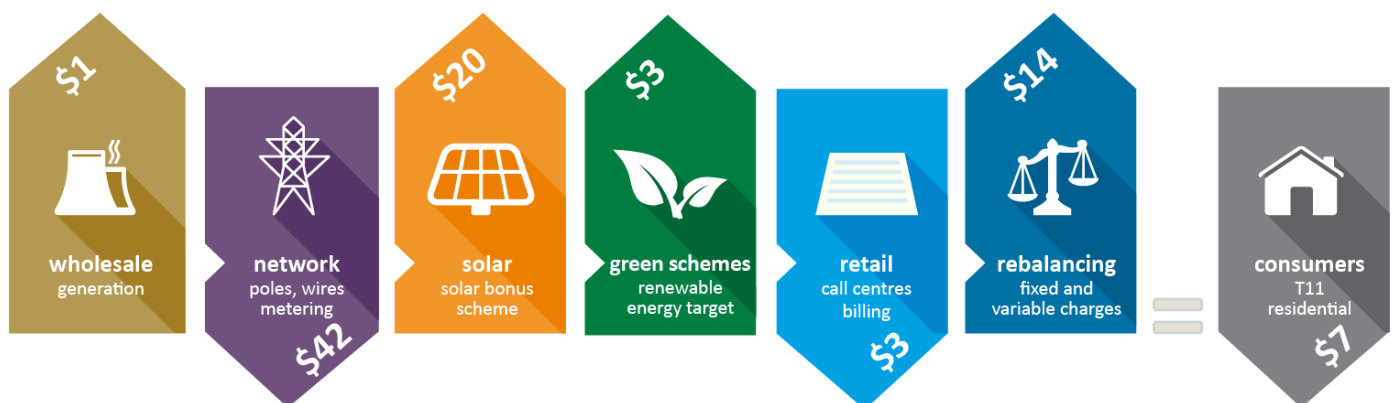
Controlled load tariffs

Residential customers often use cheaper off-peak tariffs for uses such as water heating and pool pumps. Customers on these tariffs (tariffs 31 and 33) will pay slightly more in 2015–16 because of the introduction of a metering charge and slight increases in network charges.

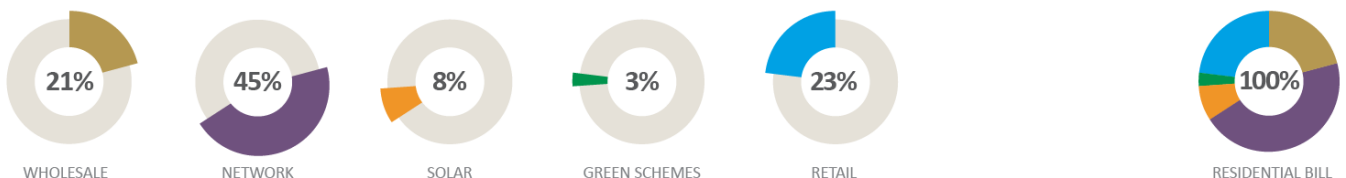
New time of use tariff for regional customers

Customers in regional areas can access a new time-of-use tariff (tariff 12A) based on an Ergon Distribution network tariff.

The new tariff 12A replaces tariff 12. It has higher usage rates that apply at certain times in summer and



Percentage of bill



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lower off-peak usage rates for the rest of the year.

If you would like more information on this tariff, please contact your retailer.

Metering charges

From 1 July 2015, most customers will pay metering charges. Retailers will be responsible for including metering charges in customer bills.

These are not new charges. Previously, metering costs were part of network charges and included in the regulated prices we set.

We have included metering charges in our assessment of customer bill impacts to ensure a like for like comparison with 2014–15 annual total bills.

These charges are regulated by the AER. You can find out more information on their website at:

<http://www.aer.gov.au/>.

How to get a better deal

The QCA encourages customers who have the option of changing their plans to test the market for a better deal. From 1 July 2015, residential customers will be able to compare retailers' electricity offers on the Australian Energy Regulator's 'Energy Made Easy' website at www.energymadeeasy.gov.au.

Until then, customers can continue to use the QCA's price comparator at <http://comparator.qca.org.au>.

Unfortunately, retailers do not generally make offers to residential customers in regional Queensland because of the way the Government's uniform tariff policy is applied.

Help with your bill

If you are struggling to pay your bill, you should discuss your situation with your retailer. Retailers offer support to their customers in hardship.

The Queensland Government offers support to customers in some circumstances. For more information visit the Department of Energy and Water Supply's electricity concessions page at www.dews.qld.gov.au/energy-water-home/electricity/rebates or call: 13 QGOV (13 74 68).

Changes in main residential tariffs (excl GST)

Tariff		Fixed charge (c/day)	Consumption charge (c/kWh)
Tariff 11	2014–15	83.414	25.378
	2015–16	106.728	22.238
Tariff 31	2014–15	n/a	11.743
	2015–16	n/a	12.448
Tariff 33	2014–15	n/a	18.454
	2015–16	n/a	18.872

Changes to customer bills in 2015–16 (for typical customers)

Customer type	Annual consumption (kWh)	Estimated change in annual bill
Tariff 11 only	4,053	-0.5%
Tariff 11 & Tariff 33	4,319	3.2%