

Queensland Competition Authority
GPO Box 2257
Brisbane Queensland 4001

30 November 2016

SEQ retail electricity market monitoring 2016–17 - Scoping Paper

The Australian Energy Council (the Energy Council) welcomes the opportunity to make a submission to the Queensland Competition Authority (QCA) on the scoping paper for monitoring of south east Queensland's (SEQ) retail electricity market for 2016–17 (Scoping Paper).

The Energy Council is an industry body representing 21 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia, and sell gas and electricity to over 10 million homes and businesses.

The deregulation of the SEQ retail electricity market from July 1st 2016 has set the path to a more competitive, sustainable and consumer focused electricity supply sector in Queensland. It has provided Queensland consumers with improved product choice and price discounts.

The Energy Council welcomes the QCA's market monitoring report which will increase customers' awareness of prices in the SEQ retail electricity market and assist with their decision-making. The report will advise consumers about changes in the market and raise awareness about the improved product choice in the market.

In South Australia, the Essential Services Commission of South Australia (ESCOSA) annual report comparing electricity retail prices for residential and small business customers provides consumers with a comparison and assessment of annual bills for each of the retailer's standing offers, lowest-priced market offer and highest priced market offerⁱ. ESCOSA'S report allows consumers to see the difference between available offers, and aids in informing customer choice. The Energy Council submits that the QCA's market monitoring report will offer the same benefit to consumers in Queensland.

The Energy Council however is concerned with certain data requests set by the QCA. Specifically, the QCA has proposed to collect data on tariff transition by postcode, in order to identify the location of customers and satisfy section 2(f) of the Direction. For small business customers, data information by postcode will be of little value and is likely to show results skewed by areas of commercial zoning. The Energy Council submits that business customers be excluded from the QCA's request.

We are also concerned that the timeframe for the QCA's data requests is challenging as it falls soon after the end of the financial year, at a busy time for regulatory reporting. It would be reasonable for businesses to be provided with more than 2 weeks for collation and submission of data that spans to the end of the financial year. For instance, the Australian Energy Regulator and Essential Services Commission of Victoria each set a deadline of 31 August each year to allow for data to be extracted, collated, verified and approved. This is a more appropriate timeframe given other

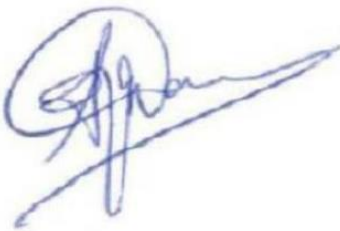
demands, such as price changes and multiple reporting deadlines that are placed on retailers at that time of the year.

In regards to the request of quarterly price data on hardship and concession customers the Energy Council submits that the QCA should limit the data collection to just hardship. Focusing only on hardship data allows for a more targeted approach for policy decisions.

The Energy Council members look forward to participating in the QCA's market monitoring report.

Any questions about our submission should be addressed to Panos Priftakis, by email to panos.priftakis@energycouncil.com.au or by telephone on (03) 9205 3115.

Yours sincerely



Sarah McNamara
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ⁱ SEQ retail electricity market monitoring 2016–17 - Scoping Paper