



5 July 2017

Committee Secretary
Public Works and Utilities Committee
Parliament House
George Street
Brisbane Qld 4000

Email to: pwuc@parliament.qld.gov.au

**RE: Electricity and Other Legislation (Batteries and Premium Feed-in Tariff)
Amendment Bill 2017**

Thank you for the opportunity to provide input into the Committee's investigation into the *Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2017*.

The Property Council of Australia is the leading advocate for Australia's biggest industry – property. We are a national not-for-profit organisation established to promote the work of the property industry in delivering prosperity, jobs and strong communities to all Australians.

Here in Queensland, we represent over 360 member companies across residential, commercial, retail, retirement living, industrial, tourism and education sectors. Our members are involved in all aspects of the property industry and operate many of the state's embedded networks. As such, this submission addresses the components of the Bill related to the new national regulatory framework for embedded electricity networks.

The amendments proposed in the Bill will have the effect of removing the restriction placed on 'receivers' having to connect to the local distribution network, in order to access retail market offers from an authorised retailer. This will enable Queensland to adopt the new national regulatory framework for retail competition in embedded electricity networks, which is due to commence on 1 December 2017.

As many of our members operate across various states, the Property Council supports the National Energy Customer Service Framework (NECF) as it provides certainty, consistency and efficiency in the operation of on-selling schemes across all jurisdictions.

While supporting national consistency, the Property Council has previously provided a submission to the Department of Energy and Water Supply's Regulatory Impact Statement regarding on-supply customer access to energy rebates, raising concerns about how the changes will place an inequitable administrative and cost burden on the owners of embedded networks.

The new national electricity rules for embedded networks will impose a requirement for a new accredited provider role, an Embedded Network Manager (ENM), to perform the functions needed to link embedded network customers to the wider market.

Owners will need to appoint an ENM for each network, and absorb the cost of this service. This will place a significant new administrative and cost burden upon them, and as such, the Property Council remains concerned about the equity of this outcome.

The requirement for these costs to be borne by the embedded network owner without any opportunity to recover their costs, is not only articulated in the new national guideline, but also within Queensland's *Manufactured Home (Residential Parks) Act 2003*, which precludes manufactured home park owners who on-supply electricity from having the ability to charge any fees to cover their costs.

As national regulatory guidelines adapt over time, it will be important for the Queensland Government to maintain consistency between the legislative treatment of on-supply electricity costs across all relevant pieces of legislation. Duplicative provisions should be avoided to ensure consistency is maintained.

While the Government has committed to amend the *Retirement Villages Act 1999* and the *Manufactured Homes (Residential Parks) Act 2003* in the recent Queensland Housing Strategy, the Property Council notes that these commitments are limited to improving the pre-contractual disclosure processes and introducing new behaviour standards. While the consultation process around these amendments is yet to reveal their full extent, it is not anticipated that sections related to embedded networks will be amended.

There is an opportunity for the Committee to consider how these pieces of legislation interact and whether this amendment package should also include broader reform to ensure the new framework is consistently applied across sectors, and is equitable to all parties involved.

Thank you very much for the opportunity to provide input into the committee's enquiry. If you have any further questions about detail included in this submission, please contact Henry Pike on [REDACTED].

Yours sincerely

[REDACTED]
Jen Williams
Queensland Deputy Executive Director