

## **CCIQ SUBMISSION**

# **Public Works and Utilities Committee Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2017**

**CHAMBER OF COMMERCE AND INDUSTRY QUEENSLAND**

**5 July 2017**



## Overview

1. The Chamber of Commerce and Industry Queensland (CCIQ) makes this submission in response to the Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2017 (the Bill) introduced to the Queensland Parliament, 15 June 2017, referred to the Public Works and Utilities Committee (the Committee).
2. CCIQ is Queensland's peak industry representative organisation for small and medium businesses. We represent over 25,000 businesses on local, state, and federal issues that matter to them. Our guiding focus is to develop and advocate policies that are in the best interests of Queensland businesses, the Queensland economy, and the Queensland community.
3. CCIQ welcomes the opportunity to provide comment to the Committee with respect to the Bill, as choice and protection is an important issue for Queensland small businesses.
4. The following submission contains CCIQ's commentary in response to the Bills' objectives.

## Solar Bonus Scheme

5. As outlined in previous submissions, CCIQ is opposed to the continuation of the Solar Bonus Scheme (SBS). It contributes to almost 10% of a small businesses bill.
6. The scheme is holistically inequitable as many small businesses and vulnerable consumers were not and are not in a position to benefit from the program, therefore the benefits for the few are borne by the many.
7. Significant costs have been incurred by distributors in complying with the Queensland Government's Solar Bonus Scheme (SBS). Solar feed-in tariffs under the SBS will continue to be a major cost for small business customers as costs are passed along.
8. CCIQ supported the recommendations made by the Queensland Productivity Commission (QPC) to consider the merits of an earlier end to the SBS than the planned 2028 closure.
9. CCIQ believes the Queensland Government should commit to removing the burden of costs associated with the solar bonus scheme to relieve pressure from consumers subsidising excessive feed-in-tariff rates.
10. CCIQ supports initiatives which will reduce emissions, however affordability must be the key focus of electricity reform in Queensland. As demonstrated by the recent Queensland Government market intervention, removing the SBS from consumers' bills and absorbing the SBS costs via government subsidy, at a cost to taxpayers, reduced the expected electricity price increase by 50%. The removal of the SBS has a significant impact on electricity bills for small businesses.
11. CCIQ urges the Queensland Government to take the opportunity while introducing amendments to also amend the SBS cessation date to earlier than 2028.
12. CCIQ supports the Bill's purpose to create certainty in the SBS and avoid ballooning costs, which would be passed along to electricity consumers and taxpayers.



### **Embedded Networks**

13. CCIQ approves of the amendments to the Energy and Water Ombudsman Act 2006. The amendments will achieve three key outcomes for small businesses (up to 160 megawatt hours per annum):
  - a. Power of choice;
  - b. Generate competition, potentially reducing electricity prices; and
  - c. Extend consumer protections, previously denied to small businesses to resolve disputes.
14. The amendments will bring Queensland into harmony with other jurisdictions and uphold the Australian Energy Market Commission's (AEMC) rule changes, clarifying ambiguity.
15. CCIQ welcomes the Bill's purpose to reward small businesses with the power of choice, greater retail competition and consumer protections.

### **Conclusion:**

16. CCIQ thanks you for the opportunity to provide comment on the Electricity and Other Legislation (Batteries and Premium Feed-in Tariff) Amendment Bill 2017. CCIQ would welcome any opportunity to discuss this submission further. Should you have any enquiries please contact Joseph Kelly, Advocacy Officer at [REDACTED]