

QUESTION ON NOTICE

No. 1124

asked on Wednesday, 5 September 2018

MR D PEGG ASKED THE MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY (HON DR A LYNHAM)—

QUESTION:

Will the Minister advise whether there are more power bill cuts on the cards for Queenslanders?

ANSWER:

The Queensland Government is committed to stable electricity prices and has invested significant resources to ensure Queensland households and businesses can access affordable electricity.

The implementation of key initiatives under the government's \$2 billion Affordable Energy Plan has already delivered important savings for Queensland consumers. For 2018–19, this resulted in:

- typical household bills reducing by 1.3 per cent in regional Queensland and between 1.3 to 3.8 per cent for South East Queensland;
- typical small business bills reducing by 3.4 per cent in regional Queensland and between 1.0 and 7.2 per cent in South East Queensland.

This is the second year that electricity prices have decreased under a Palaszczuk Government, and Queensland now has the lowest electricity prices, on average, compared with all the other mainland states in the National Electricity Market.

The Queensland Government will continue to utilise its public ownership of energy generation and distribution assets to deliver further bill savings for consumers over the coming years. For example:

- Under the government's \$200 million Electricity Asset Ownership Dividend, Queensland households will receive a second \$50 electricity rebate in 2019. This follows the \$50 rebate provided to households in 2018.
- On 30 August 2018, the Queensland Government established 'CleanCo'—a new publicly-owned clean energy generator. CleanCo will increase competition in the National Electricity Market and place downward pressure on wholesale electricity prices. The government's preliminary analysis indicates CleanCo should reduce wholesale electricity prices by on average of around \$7 per megawatt hour, which is expected to initially translate to an estimated \$70 per annum saving for the average household.

- On 4 September 2018, Energex and Ergon Energy released draft network tariff plans for the 2020–25 regulatory period. According to the draft plans, Energex and Ergon Energy have proposed a 10 per cent reduction in distribution network charges commencing July 2020, equating to an annual saving of \$54 for the average residential customer and \$50 for the average small business. These plans will be subject to the review and approval of the Australian Energy Regulator.