

## QUESTION ON NOTICE

No. 905

asked on Tuesday, 21 August 2018

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**MR N DAMETTO** ASKED THE MINISTER FOR NATURAL RESOURCES, MINES AND ENERGY (HON DR A LYNHAM)—

QUESTION:

With reference to regions in which there is no competition for electricity providers—

Will the Minister advise whether the government would consider increasing current subsidies for electricity costs to consumers?

ANSWER:

The Queensland Government remains committed to the Uniform Tariff Policy which ensures regional Queenslanders pay no more than a similar customer in South East Queensland. This policy is implemented via a community service obligation subsidy which costs approximately \$500 million per year.

The government understands regional customers want access to similar discounts and choices as are available in South East Queensland. Considerable work on this issue has been undertaken in recent years, including reviews by the Queensland Competition Authority and the Queensland Productivity Commission. These reviews found there are options that could deliver better product and service offerings for regional customers, but at a substantial cost. The government is committed to investigating the full range of available options to deliver market benefits to regional customers.

In the meantime, the government is ensuring electricity customers in regional Queensland are not left behind.

We have initiated products and programs under our Affordable Energy Plan specifically aimed at delivering improved choice and savings to regional customers. For example, the EasyPay Rewards product provides an annual reward of \$75 for households, and \$120 for small businesses who sign up for fixed payments (SmoothPay), direct debit and electronic billing with Ergon Energy. The EasyPay Rewards offer has recently been extended to 30 September 2018.

The government's Energy Savvy Families program provides digital meters to eligible low-income families in regional Queensland to help them better understand how they use their electricity. A further \$4 million has been invested to extend the program to an additional 4000 low-income households.

In addition, the Asset Ownership Dividend provides a \$50 annual rebate in 2018 and 2019, as a dividend for customers from the publicly-owned electricity businesses. The dividend is automatically credited to active residential accounts.

The government's efforts in stabilising prices are also bearing fruit for regional customers, as demonstrated by the recent announcement of reduced prices for regional Queensland customers. For this financial year, the typical residential consumer in regional Queensland will receive a 1.3 per cent decrease on their power bills, while the typical small business operator will receive a 3.4 per cent decrease.