

**Question on Notice  
No. 909  
Asked on Wednesday, 21 August 2024**

**MR P WEIR** ASKED MINISTER FOR ENERGY AND CLEAN ECONOMY JOBS (HON M DE BRENNI)

With reference to an Ergon electricity account and an increase to the service fee rate going from \$1.09521 on 30 June 2024 to \$1.24243 on 28 July 2024, a 13.4 percent difference—

Will the Minister provide details of this service fee increase and the reason for the increase?

**ANSWER**

On 7 June 2024, the Queensland Competition Authority (QCA) published its determination which set the 2024-25 regulated retail electricity price that applies in regional Queensland.

The Queensland Government's cost of living rebate and the Federal Government's electricity rebate are not considered in the QCA's regulated retail prices. With this bill assistance considered, inclusive of service fees, the typical regional Queensland household will see an actual overall decrease of around 47 per cent (or \$646) in 2024-25. The substantial cost of living relief package means that most customers will not pay anything on their first bill from 1 July 2024, and many will not pay another bill until 2025.

It is important to note that the cost of supplying electricity to customers in regional Queensland is significantly higher than in SEQ. The Queensland Government's long-standing Uniform Tariff Policy (UTP) ensures regional customers pay a similar amount for their electricity as equivalent SEQ customers. This means, for many regional Queensland customers, prices are set below the actual cost of supply and are subsidised by the Queensland Government via a community service obligation. In 2024-25, more than \$600 million has been budgeted for the Community Service Obligation (CSO), including approximately \$94 million for isolated communities.

Without the UTP and the CSO subsidy, the typical regional household annual bill would be approximately 12 per cent higher in Ergon Energy's eastern zone and 85 per cent higher in Ergon's western zone. The typical regional household annual bill would be even higher in remote areas if the full costs of supply were passed onto regional customers.