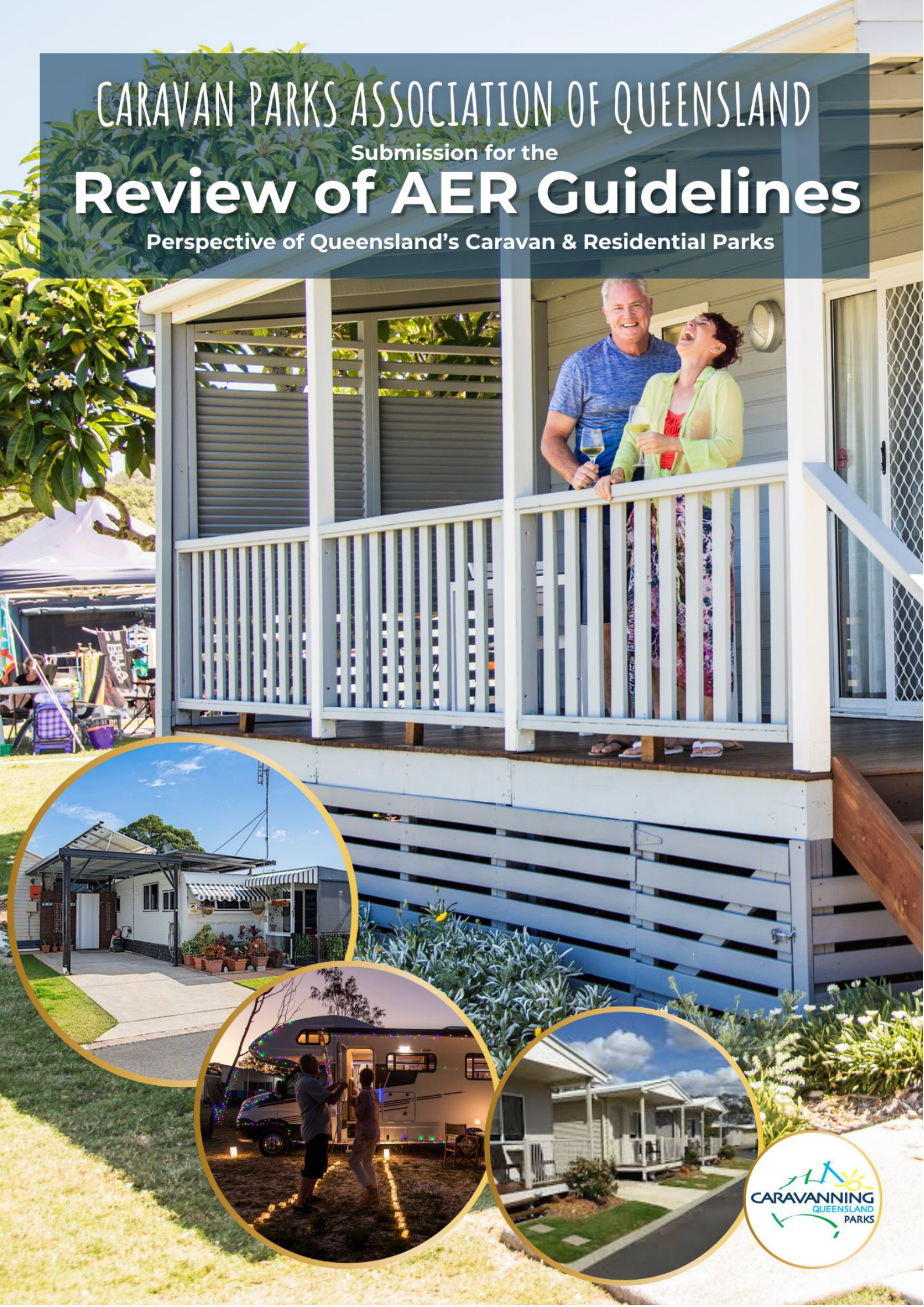


# CARAVAN PARKS ASSOCIATION OF QUEENSLAND

Submission for the

## Review of AER Guidelines

Perspective of Queensland's Caravan & Residential Parks







# QUEENSLAND CARAVAN & RESIDENTIAL PARK INDUSTRY

149,825

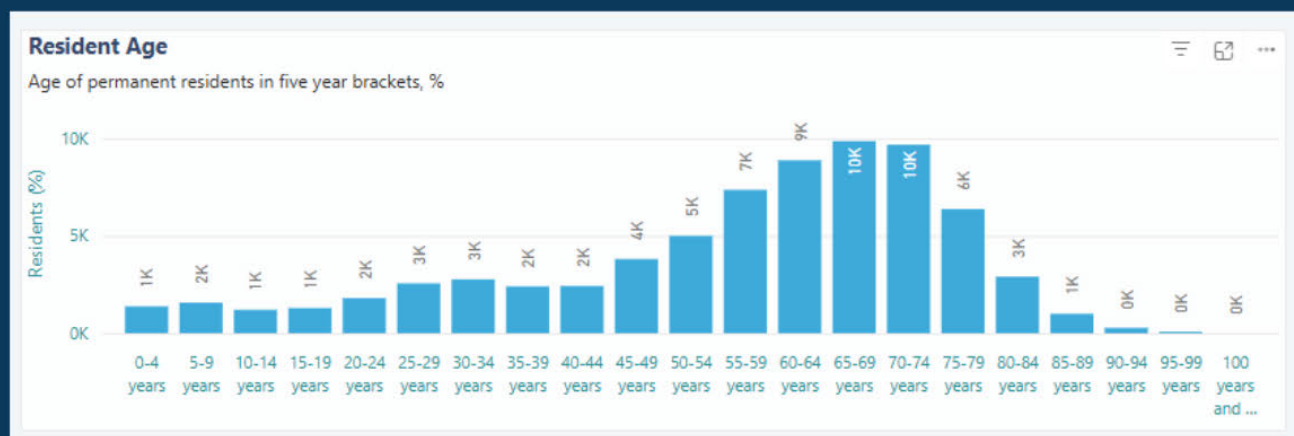
TOTAL PARK  
RESIDENTS



51,290

RESIDENTS OVER  
50 YEARS OF AGE

## CARAVAN & RESIDENTIAL PARK RESIDENTS IN QLD



## QUEENSLAND CARAVAN & CAMPING VISITOR ECONOMY

13.3

MILLION  
NIGHTS



3.2

MILLION  
TRIPS



\$2.4

BILLION  
VISITOR  
EXPENDITURE

# Submission to the Australian Energy Regulator (AER) – Review of the AER exemptions framework for embedded networks

**Submitted by: Caravan Parks Association of Queensland (CPAQ)**

**Date: 28 April 2025**

## Introduction

Caravan Parks Association of Queensland (CPAQ) welcomes the opportunity to provide feedback on the Australian Energy Regulator's (AER) Draft Decision for the Embedded Networks Review.

CPAQ is the peak industry body representing caravan parks across Queensland. Our members include a diverse range of operators, from small family-owned businesses to larger multi-park operators, each playing an essential role in Queensland's tourism and housing sectors. Caravan parks offer a unique mix of short-term tourist accommodation and long-term residential living, creating operating environments that are distinct from standard embedded networks.

CPAQ strongly supports measures that enhance consumer protections for residents in embedded networks. We recognise the importance of fair pricing, transparent communication, and appropriate safeguards for vulnerable customers, including those affected by family violence.

However, we have significant concerns regarding the practicality, administrative burden, and unintended consequences of several proposed changes, particularly when applied to caravan park operations. Many of the proposed requirements do not reflect the realities of mixed-use businesses operating under complex state legislative frameworks, such as the Manufactured Homes (Residential Parks) Act 2003 and the Residential Tenancies and Rooming Accommodation Act 2008.

This submission outlines CPAQ's key concerns and recommendations in relation to the Draft Decision, with a focus on:

- Change of ownership processes
- Notification requirements and pricing visibility
- Pricing methodologies under state law
- Implementation of family violence support measures

We are committed to working constructively with the AER to ensure that the final framework achieves its intended objectives without imposing unnecessary or duplicative burdens on caravan park operators, while continuing to deliver strong protections for residents.

## Change of Site Ownership

CPAQ is concerned that the proposed approach to changes in site ownership lacks clarity and practicality for embedded network operators, particularly those operating caravan parks.

It is unclear whether the AER's proposed requirement involves a simple transfer of ownership of the existing authorisation or a full new application by the purchaser. This distinction is critical. If a new application is required, there is a significant risk that sales processes could be delayed, disrupted, or potentially fall through if AER approval is delayed or refused.

The sale of a caravan park is often a complex transaction, involving multiple regulatory and operational elements beyond embedded network authorisations. Requiring a new authorisation application prior to sale completion would create significant uncertainty and introduce unnecessary barriers to the sale of a business.

Attempting to impose obligations prior to settlement is both impractical and unnecessary. Settlement may not proceed for a range of reasons outside the control of either party and requiring applications in advance would lead to a significant administrative burden for both operators and the AER, with no corresponding benefit to residents.

By aligning the timing of transfer obligations with the established settlement process, the AER can maintain strong regulatory oversight without introducing unintended complexity and risk into the sale and purchase of caravan parks.

## Recommendations

CPAQ strongly recommends that:

- The change of ownership of an embedded network authorisation should be treated as a simple transfer, aligned to other asset transfers such as vehicle registrations.
- The transfer should be completed within 30 days following settlement of the sale, becoming part of the standard settlement process. Managing the process post-settlement, within a defined timeframe, ensures there is no duplication of effort for either the AER or the caravan park operator if the sale does not proceed.
- In the event that the AER identifies concerns about the suitability of the purchaser, clear and transparent procedures must be in place to manage this without placing residents at risk or jeopardising the operation of the embedded network.



## Notification Requirements

CPAQ acknowledges the importance of maintaining accurate records of responsible persons for embedded networks. However, the proposed notification requirements do not reflect the operational realities of caravan park businesses.

The practical realities of caravan park operations mean that there may be interim responsible persons, such as acting managers, before a permanent replacement is appointed. Requiring updates for each interim arrangement would create unnecessary administrative burden, with no tangible benefit for consumers. Further, it is common business practice to retain email accounts and contact details for approximately three months following staff turnover, ensuring continued accessibility without disruption to customers.

Importantly, in a caravan park, the sale of electricity is incidental to the primary business of providing accommodation services. Caravan parks already operate under significant regulatory obligations, including:

- Compliance with state tenancy legislation such as the Manufactured Homes (Residential Parks) Act 2003 and the Residential Tenancies and Rooming Accommodation Act 2008.
- Operational requirements imposed by local governments, including licencing, safety, planning, environmental management and facility management conditions.

Adding further administrative layers for incidental activities like embedded networks risks compounding regulatory fatigue without delivering proportional consumer benefits.

Extending the notification period and implementing biannual AER outreach would strike a more appropriate balance between operational practicality and regulatory oversight.

## Recommendations

CPAQ strongly recommends that:

- The timeframe for updating the AER following a change of responsible person should be extended to 90 days.
- The AER should also proactively contact embedded network operators at least twice a year to remind them of their obligations and confirm that contact details remain up to date.

## Pricing Requirements

CPAQ has significant concerns regarding the proposed requirement for embedded network operators to publicly display and update tariffs, particularly in the context of caravan parks operating under Queensland legislation.

Under both the *Manufactured Homes (Residential Parks) Act 2003* and the *Residential Tenancies and Rooming Accommodation Act 2008*, caravan park operators are prohibited from charging residents more for electricity than the amount charged by the relevant supply authority for the electricity supplied to the premises.

To comply with these legislative requirements, caravan parks utilise an averaging method to calculate resident tariffs:

- The total electricity bill received by the park (excluding GST) is divided by the total kilowatt hours (kWh) used across the premises.
- This produces an averaged tariff rate for the billing period.
- Each resident's bill is then calculated by multiplying their individual kWh usage by the averaged tariff rate for that period.

This approach ensures residents are charged fairly and transparently, with no mark-up, and is a legislated requirement in Queensland.

Introducing an additional requirement for caravan parks to calculate and display updated tariffs in line with the AER's sub-condition 7(2) would create confusion and unnecessary administrative burden for both residents and operators. Given the nature of monthly fluctuations inherent in the averaging method, prices naturally vary from month to month. Residents are accustomed to this approach, and it reflects fair and direct pass-through of energy costs without commercial gain by the park.

Furthermore, introducing a formal monthly public notification requirement would:

- Delay the issuing of bills by up to five days, creating unnecessary operational disruption.
- Cause confusion and distrust among residents, who may misunderstand natural price variations as anomalies or errors.
- Add unnecessary regulatory duplication, given the protections residents already have under Queensland tenancy legislation.



## Recommendations

CPAQ strongly recommends that:

- Caravan parks operating under Queensland tenancy legislation that mandates the averaging method be exempt from the AER's pricing display and update requirements under sub-condition 7(2).
- Recognition be given to the existing strong consumer protections and transparent billing practices already embedded in Queensland law.

This targeted exemption would ensure that regulatory interventions are proportionate, practical, and aligned to the specific operational and legislative context in which caravan parks operate.



*Weipa Camping Ground*

## Pricing Visibility

CPAQ supports transparency in pricing for embedded network customers. However, the AER's proposed requirement for displaying tariffs on websites and noticeboards does not align with the realities of caravan park operations.

Caravan parks provide residential accommodation under state tenancy legislation however their business operations and public communications (including websites) are generally oriented toward the short-term accommodation sector unless they are a pure residential village. It is neither practical nor appropriate to require caravan parks to display residential energy tariffs publicly on tourism-focused platforms.

Residents in caravan parks already have direct access to an onsite park manager, who can readily provide tariff information when requested - a key distinction from standard electricity retailers, where customer service is often remote.

Additionally, in Queensland, caravan park operators cannot add a mark-up to electricity charges. It is in the park's commercial interest to negotiate the most favourable energy contracts, with all cost savings directly benefiting residents.

The proposed public display requirement would impose unnecessary administrative burdens without delivering any material improvement in transparency for residents.

## Recommendations

CPAQ strongly recommends that:

- Caravan parks be required to make pricing information available upon request only, rather than publicly displayed on websites or noticeboards.



*Brisbane North Rental Village*



## Family Violence Policy and Transitional Issues

CPAQ strongly supports measures aimed at protecting residents experiencing family violence. Caravan parks are committed to providing safe, supportive environments, and we welcome the focus on ensuring that customers within embedded networks are afforded appropriate assistance. However, we have several concerns regarding the proposed implementation requirements.

### Transitional Period

Given the operational and administrative adjustments required, CPAQ recommends a 12-month transitional period to allow caravan park operators sufficient time to:

- Update internal systems and processes.
- Train staff appropriately.
- Integrate family violence assistance information into existing communication methods in a way that is both meaningful and manageable for residents.

It is critical that the AER works closely with peak bodies such as CPAQ to develop plain-English templates, guidance material, and training resources to support implementation. This collaboration will help ensure that embedded network operators understand their obligations and that no vulnerable customers fall through the cracks.

### Provision of Information to New Tenants or Home Owners

The proposed requirement for embedded network operators to provide written information at the start of a tenancy or home ownership agreement, covering forms of assistance available and the processes to seek help, is impractical.

Residents already receive extensive documentation upon entering into tenancy or site agreements, often up to 20 pages in length relating to electricity and water supply arrangements. Requiring additional family violence assistance material to be added to this volume risks the information being overlooked or forgotten, particularly given that residents may not need such assistance until years into their occupancy.

CPAQ recommends that:

- Rather than mandating additional written information at the commencement of a tenancy or site agreement, operators be allowed to provide this information through alternative methods, such as:
  - Signage displayed discreetly in office areas.
  - Including information in periodic newsletters or resident updates.
  - Making the information available upon request at any time.

This approach would balance the importance of access to assistance with the practical need to ensure the information is delivered in a way that residents can absorb and act upon when needed.

### **Ability to Amend Templates**

Caravan park operators have previously experienced issues when mandated hardship policy templates could not be practically adapted to suit their operational circumstances. In some cases, parks faced compliance action for making minor, reasonable amendments. CPAQ seeks confirmation that:

- Caravan parks will be permitted to tailor the Family Violence Policy templates where necessary to reflect their business operations, provided the core obligations and protections remain intact.

Flexibility is critical to ensure that embedded network operators can implement the policy meaningfully and appropriately within their operating environment.

### **Privacy and "Flagging" of Accounts**

Parks have advised that while they can include bolded notes within guest or resident records in their property management systems, there is no pop-up alert functionality. Caravan park operators maintain strict privacy policies, and information about residents is only disclosed either directly to the individual or to law enforcement agencies upon lawful request.

It is important that the AER understands that these systems are designed to comply with Australian privacy obligations. Caravan park operators already take considerable care to protect resident information, and any future guidance or expectations should be mindful of the operational limitations and strong privacy frameworks that are already in place.

### **Recommendations**

CPAQ recommends:

- A minimum 12-month transitional period
- Rather than mandating additional written information at the commencement of a tenancy or site agreement, operators be allowed to provide this information through alternative methods
- Caravan parks be permitted to tailor the Family Violence Policy templates where necessary to reflect their business operations, provided the core obligations and protections remain intact.



## Conclusion

Caravan parks are committed to supporting vulnerable residents and improving consumer protections. However, the implementation of new requirements must be practical, proportionate, and developed with clear guidance and strong collaboration with industry.

CPAQ welcomes further engagement with the AER to ensure that the final regulatory framework is fit-for-purpose, fair, and reflective of the operational realities faced by Queensland's caravan parks.

## About Us – Caravan Parks Association of Queensland (CPAQ)

Caravan Parks Association of Queensland (CPAQ) is the peak industry body representing caravan parks across Queensland. Established in 1966, CPAQ is a trusted voice for the sector, advocating for fair regulatory outcomes, providing industry leadership, and supporting members in delivering high-quality accommodation experiences.

Our members operate a wide range of caravan parks, from small family-owned businesses to larger multi-park operations, providing essential services to both tourists and long-term residents. Caravan parks play a critical role in Queensland's tourism industry and are an integral part of the state's housing landscape, offering affordable accommodation options across regional, rural, and metropolitan areas.

CPAQ is committed to ensuring that Queensland's caravan parks continue to thrive, providing safe, sustainable, and welcoming communities. We work closely with government, industry, and stakeholders to ensure that regulatory frameworks are practical, proportionate, and supportive of both operators and residents.

As the trusted voice of Queensland's caravan park industry, CPAQ brings unmatched knowledge and insight into the unique operational realities faced by embedded network operators within the sector.

## Contact Details

For further information regarding this submission, please contact:

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