

10 October 2016

Mr Chris Pattas
General Manager, Networks
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

VIA EMAIL: aerinqury@aer.gov.au

Dear Mr Pattas,

Thank you for providing us the opportunity to respond to the August 2016 Issues Paper on the draft amendments to the Electricity Network Service Provider Registration Exemption Guideline. We appreciate the detail in which the paper has been prepared. The proposed draft amendments impact most of our member's business operations. For the purpose of this submission however, we have focused primarily on questions relating to fees and charges to embedded network customers.

By way of background, the Caravan Parks Association of Queensland Ltd (**CPAQ**) is an industry body representing caravan park owners and operators in Queensland. Our objects are, amongst other things, to foster and assist the development of the caravan parks and relocatable home parks industry in Queensland and to encourage a high standard of quality, service and ethics within that industry. We seek to work closely with both private industry and government (at all levels) and actively strive to ensure not only that minimum standards within parks are met, but that over time those industry standards are in fact driven higher.

To assist in the preparation of our submission, we surveyed our members on the key questions relating to fees and charges, as included below. The responses by those that participated in the survey were consistent.

As you would be aware, in Queensland the caravan parks industry, and in particular caravan parks considered "mixed-use" have for over a period of five (5) years experienced significant confusion in relation to on-supply charges for electricity. For clarity, "mixed-use" relates to those parks that have a combination of residents within their parks including those regulated by the Manufactured Homes (Residential Parks) Act and those regulated by the Residential Tenancies and Rooming Accommodation Act. This is primarily due to the introduction of s99a of the Manufactured Homes (Residential Parks) Act. This section and the correct application of this section within a caravan parks operation has still not been clarified by the Department that administers the legislation. Hundreds of thousands of dollars in legal fees have so far been paid by our members in defending legal actions, still with no clear directive as to the correct interpretation of this section. Accordingly, fees and charges remain a delicate matter in our industry in Queensland, hence our focus on this particular aspect of the paper.



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A Member of

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- Queensland Tourism Industry Council

As indicated, our members, when surveyed, indicated the following position on the key questions of current focus by the industry as contained in the paper.

Should a meter reading charge be allowed at all, or should it be capped as the AER propose or by an alternative mechanism?

Our Queensland caravan park members supported the AERs proposed changes. The application of a supply and usage charge that is similar to the retail price that is available to householders not relying on an embedded network ensured consistency and fairness across all Queensland resident types.

Are embedded network customers, experiencing unfair, unreasonable or excessive fees?

All those surveyed responded that their embedded network customers do not have separate discrete meter reading fees imposed. The responses identified that all network charges are combined into a bundled energy price which is no greater than the standard offer price of the local energy retailer. Our member's position was that they believed this method to be fair and reasonable.

If so, what form do these charges take?

Not applicable.

Why do you think they are unfair, unreasonable or excessive?

Not applicable.

What additional restrictions should the AER place on the levying of these charges?

No additional restrictions were considered necessary.

CLOSING COMMENT

We acknowledge that although our response in somewhat brief compared to the topics covered in this paper, considering the complexities Queensland caravan parks have been facing relating to energy charging, we felt it important to remain focused on the areas within the guidelines that would most impact our member caravan parks.

We welcome further consultation on this and any other matter that potentially impacts our sector in Queensland. We note of course the need for Queensland Government departments' support of the Australian laws and guidelines in their legislation, in particular, the Manufactured Homes (Residential Parks) Act and the Residential Tenancies and Rooming Accommodation Act. As far, we have not seen this support by Queensland Government. The now additional multiple pieces of legislation/guidelines/factsheets circulating in Queensland has only added to the confusion by our members in Queensland.

Kind Regards,



Kristy Ponting
Manager – Caravan Parks Association of Queensland Ltd