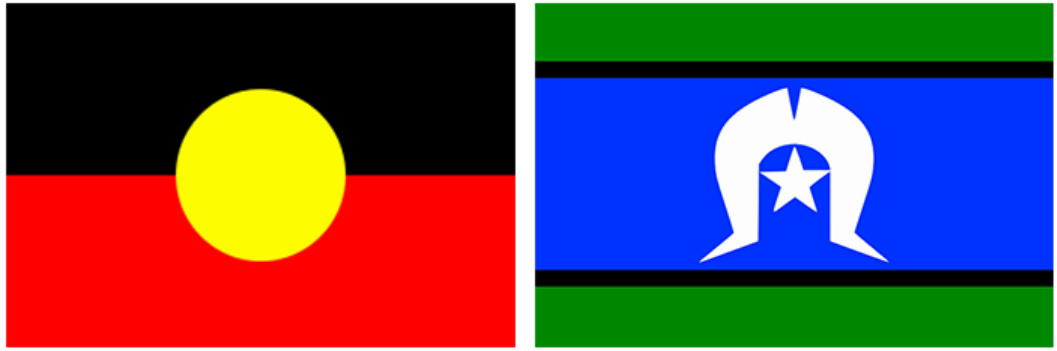




Queensland Council  
of Social Service

Queensland Regulatory Processes  
2020-2025  
Focus on Vulnerable households

Rose McGrath, QCOSS  
AER Public Forum  
09 April 2019



# QCROSS: Who are we?

Peak body for the community  
services industry in Queensland

AND

Voice for people experiencing, or at  
risk of experiencing, poverty and  
disadvantage



Process so  
far?



How to move  
forward?

- ✓ Consultation
- ✓ RESET 2020
- ✓ Tariff Structure Statement





## INDUSTRY PARTNERS

We listened to 2,600+ of our industry partners

Real Estate Developer Forum  
2 sessions held

Electrical Contractor Forum  
12 sessions held

Energy Retailer Forum  
2 sessions held

Voice of the Customer program  
1,500 service surveys annually



## END USE CUSTOMERS

We listened to 19,400+ of our end use customers and their representatives

Customer Council  
4 sessions held

Regulatory Proposal  
Tariff Structure Statement  
Working Group  
11 sessions held

Tariff Webinars  
10 hosted

Major Customer Forum  
2 sessions held

Agriculture Forum  
3 sessions held

Voice of the Customer program  
10,500 service surveys annually

Independent Research

Residential deliberative forums  
4 sessions held

Business focus groups  
10 sessions held

Qualitative phone interviews  
including Western Zone  
38 sessions held

Digitally excluded focus groups  
2 sessions held

Quantitative residential and  
business online surveys  
2,891 surveys



## COMMUNITY STAKEHOLDERS

We listened to 2,500+ of our community stakeholders

Stakeholder Engagement  
5+ Board networking events

Talking Energy  
2,000+ engaged online

Community Leader Forums  
5 sessions held

Mini/Follow Up Community  
Leader Forums  
7 sessions held

Our Draft Plans Webinar  
1 hosted

Local Council and  
MP engagements  
90+ council visits

Public Lighting Forum  
8 sessions held

We also receive over half a million customer calls, as well as have countless other service interactions.

# Going forward – Consultation

- Exploring tariff options. with stakeholders
  - Do not narrow too quickly
  - Assessment Principles/criteria
- Listen and respond to stakeholders submissions
- Balance between TSS with RESET
- Test tariffs with customer impact analysis and trials
- More research on consumer impacts and how to support them

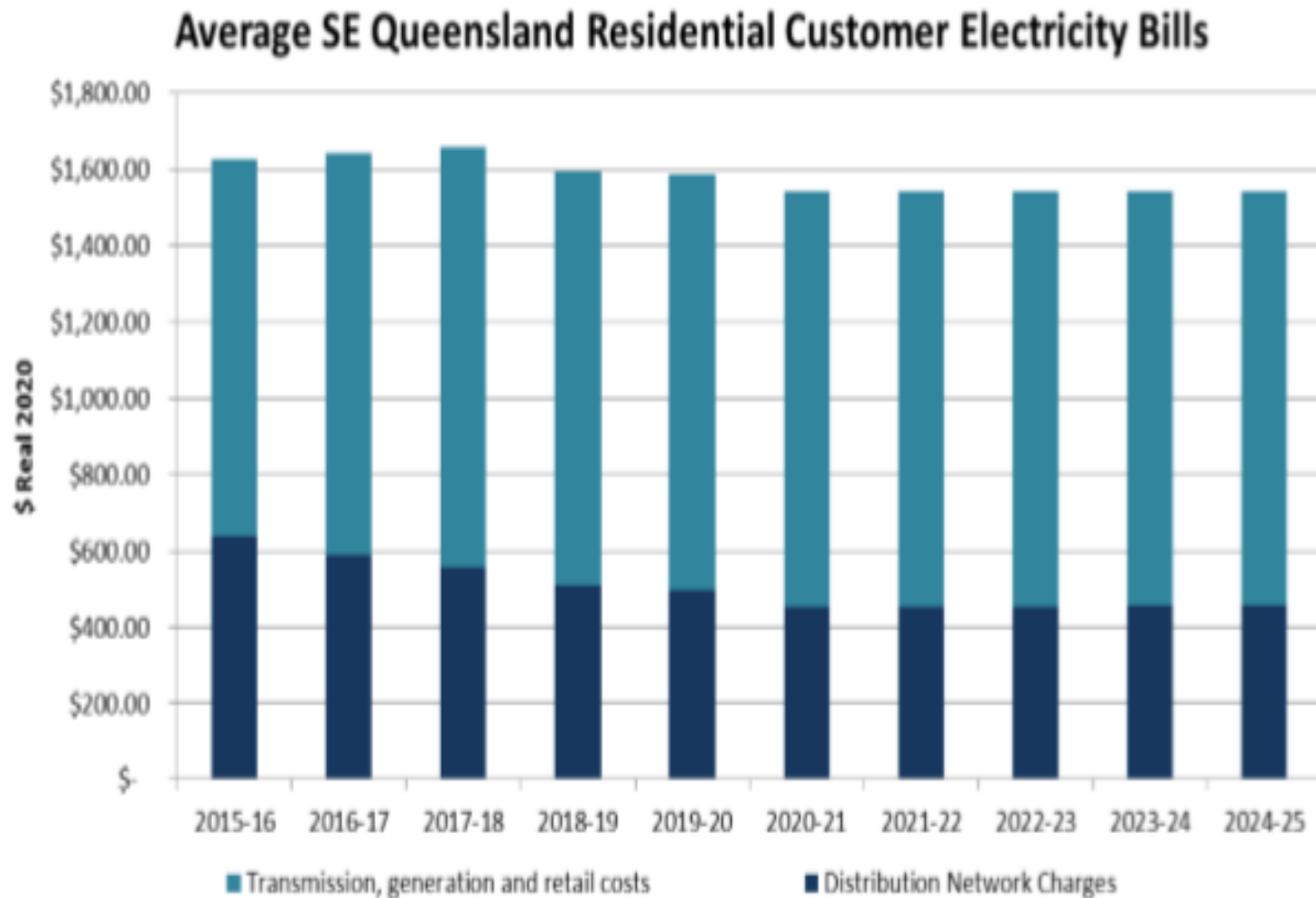
# RESET 2020-2025

What is  
the size  
of the  
pie?





Figure 7 Indicative proportion of distribution network charge of an annual residential South East Queensland electricity bill

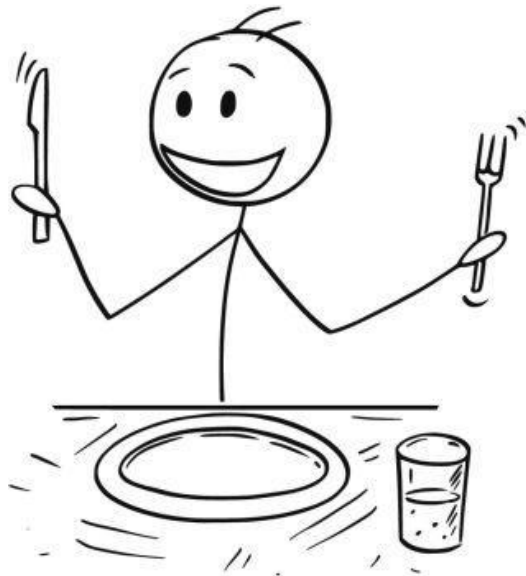


# Going forward - RESET

- Can more savings be found?
- Will retailers pass on the reduction? Is there sufficient competition?
- Solar bonus scheme? We need clarity on future policy until 2028

# Tariff Structure Statement

**How to  
carve up  
the pie?**



# Proposed Network Tariffs

Lifestyle  
Tariff?

Default Tariff for Existing  
Basic Meter Customers

Existing Load  
control??

Income  
protection  
mechanism

Network Tariffs  
for Digital Meters  
– Capacity

Network Tariffs  
for Digital Meters  
– Demand

Smart control  
tariff??

Data Sampling

# What do we want?

- Vulnerable people not worse off:
  - Recognition of and to address their barriers
  - Wider energy reform
- More lead in time:
  - Simpler cost reflective tariffs
  - Safeguards and transitional arrangements
  - Education and awareness
- Pass the pub test – clear rationale

# Going forward - TSS

- How will retailers react and pass on the network tariffs?
  - Recognise need price signal for tariff reform to work
- How stable will the tariffs be?
  - Will the long run marginal costs reduce over time and what about the residual costs – will we end up with very small long run marginal cost and large residual costs, so potentially higher fixed charges?
- Who is taking the risks?
  - EQ has a revenue cap

# The End

