

Ergon Energy

Revenue decision 2020-25

The Australian Energy Regulator (AER) sets the overall revenue that Ergon Energy can make over five years for safe and reliable network services. We know energy isn't cheap, so we focus on making sure energy network businesses only spend money on what's important.

Quick fact

Ergon Energy's network covers regional Queensland with a network of poles and wires spanning over 151,976kms servicing 752,909 consumers.

Ergon Energy forecast spending 2020-25

In June 2020, we decided that Ergon Energy can recover a total of \$5925.9 million from its customers from 1 July 2020 to 30 June 2025. This is 13% lower than the last decision. Ergon Energy will spend this money on:

- Providing safe and reliable electricity.
- Growing and making the electricity grid stronger.
- Maintaining and running their business.

Ergon Energy's spending includes:

- Investment in technologies to detect network defects.
- Technologies to support the increasing levels of solar installations.

COVID-19 impacts

While the impact of COVID-19 on Ergon Energy remains uncertain, our 2020–25 final decision revenue decision provides the business with a reasonable opportunity to recover at least its efficient costs. If it becomes clear that the impacts of COVID-19 are substantial, then a rule change would need to be considered to enable us to re-open existing revenue determinations.

What does this mean for energy bills in Ergon Energy's zone?

In Ergon Energy's network, charges make up 35% of an average residential customer bill and 28% of an average small business customer bill.

From 1 July 2020, in the first year:

- the average yearly residential bill will drop by \$73; and
- the average yearly small business customer bill will drop by \$82.

This does not include costs for running the Queensland Government's solar bonus scheme.

These prices are indicative and might vary with changes in demand.

What people told us in making our decision

Ergon Energy said it was important that:

- It makes the right investments to ensure the safe operation of its network.
- Network charges are kept as low as possible.
- It provide consumers with sustainable choices in relation to energy solutions.
- Energy is reliable and safe.

Customers of Energex said it was important that:

- Customer affordability is a priority.
- Tariff Structure Statements be easier to understand so people can better engage in energy decisions.

Our decision allows Ergon to meet its obligations with lower expenditure and passes on the savings to consumers.

Want to know more?

You can read the full decision on our website www.aer.gov.au

Want to find a better energy deal?

Visit our free Energy Made Easy website www.energymadeeasy.gov.au

More information**Australian Energy Regulator**

AER Infoline 1300 585 165

Indigenous Infoline

Call 1300 303 143

For information in languages other than English

Call 13 14 50

Ask for 1300 585 165

National Relay Service—Speak and Listen

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