



Minister for Energy and Clean Economy Jobs

Leader of the House

Our Ref: MN03706-2024

22 March 2024

Professor Flavio Menezes
Chair
Queensland Competition Authority
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Dear Professor Menezes

Pursuant to my Delegation No.1 2023 of 14 December 2023 under section 90AA of the *Electricity Act 1994* (the Act), I ask that the Queensland Competition Authority (QCA) have regard to the additional direction I provide below, before publishing its draft determination of regulated retail electricity prices in regional Queensland for the 2024-25 Tariff Year.

The Queensland Government is committed to reducing cost of living pressures by ensuring affordable electricity prices for Queensland households and business. Importantly, our decision to support progressive coal royalties and public ownership of energy assets has enabled the Miles Government to provide cost of living relief. This has been able to fully offset inflationary impacts on power prices experienced globally over the previous years.

While I acknowledge the electricity market is starting to return to normal following its 2022 suspension due to impacts of the war in Ukraine, the Miles Government remains focussed on behalf of all Queenslanders to ensure power bills remain reasonable and return to more affordable levels.

That is also why we have expressed dissatisfaction with the Australian Energy Regulator (AER) draft default market offer (DMO) determination, released earlier this week.

For regional Queensland households and small businesses, the Government's uniform tariff policy (UTP) provides an important and longstanding mechanism to ensure people living in regional Queensland pay equivalent prices to those in South East Queensland, despite the higher costs of delivering electricity to those areas.

The Queensland Government is considering the AER's draft DMO decision, and I can advise the Government will respond to pursue better outcomes for Queenslanders. To ensure the QCA can appropriately reflect further advice from Government, and any variations in the QCA determination, we request that a draft decision is not published before 30 April 2024. We expect the final decision to remain 7 June 2024.

The Department of Energy and Climate (DEC) will continue to be available to consult with QCA on the 2024-25 price determination and Tariff Schedule and Feed-in Tariff. If you require further information or assistance with this matter, [REDACTED]

Yours sincerely

Mick de Brenni MP
Minister for Energy and Clean Economy Jobs