

Queensland
Competition
Authority

2018–19

**ANNUAL
REPORT**

Queensland
Competition
Authority

2018–19 Annual report

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Highlights

The body of work we completed this year includes:

- a final decision on the 2017 draft access undertaking submitted by Aurizon Network (page 14)
- draft recommendations for the declaration reviews for the services of the monopoly infrastructure of Aurizon Network, Queensland Rail and Dalrymple Bay Coal Terminal Management (page 13)
- a draft decision on Queensland Rail's 2020 draft access undertaking (page 13)
- a final determination of regulated retail electricity prices (notified prices) for 2019–20 in regional Queensland (page 12)
- a final report on the review of electricity distribution network reliability standards for 2020–25 (page 12)
- a final decision on the review of guaranteed service levels to apply to Energex and Ergon Energy from July 2020 (page 16).

About us

The Queensland Competition Authority (QCA) is an independent statutory body, established in 1997 to promote competition as the basis for enhancing efficiency and growth in the Queensland economy.

Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements.

Economic context

We are responsible for regulating the market behaviour of many monopoly businesses in Queensland.

In a competitive market, a business is constrained by its competitors in the prices it can charge for goods or services. If too high a price is charged, consumers are likely to buy from a competitor at a lower price. Alternatively, if the business is the only supplier and charges too high a price, a competitor will likely enter the market offering a lower, but still profitable, price.

However, it is not always possible or sensible to have competition in the provision of essential services such as large-scale infrastructure that requires significant capital investment. This is because there may only be one possible supplier (e.g. there may be only one possible site for a dam) or it may not be economic to have more than one supplier (e.g. the costs of constructing a new electricity distribution system would simply outweigh the benefits from having competing networks).

In these cases, there may be limited, if any, competitive forces to constrain the behaviour of the business, especially in the provision of energy, transport or water infrastructure.

Our role is to put in place arrangements to prevent the abuse of market power that may arise from a lack of competition.

Responsibilities

The *Queensland Competition Authority Act 1997* (the QCA Act) is the legislation that guides our work.

Monopoly prices oversight

We use pricing and other regulatory arrangements, based on sound economic and commercial principles, to encourage monopoly businesses to operate responsibly in the absence of normal competitive market forces.

Prices oversight prevents monopoly businesses from abusing their market power by charging excessive prices for their products or services.

Where we oversee monopoly prices, consumers can therefore pay market prices, while businesses can still earn a reasonable investment return—a beneficial outcome for all.

We may investigate the pricing practices of such monopolies or monitor their pricing practices, depending on the referral from the Minister responsible for administering the QCA Act (at present the Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships). We only perform these functions on request from the Minister.

Third party access

Essential infrastructure that underpins economic activity should be accessible to all potential users.

We regulate third party access to essential infrastructure so as to support competition, by enabling competitors (i.e. 'third parties') to access infrastructure which cannot be economically duplicated, such as rail tracks and ports. For example, in the Queensland rail sector, we ensure track owned by Aurizon Holdings may also be used by other train operators. This provides customers, such as coal miners, with options regarding the haulage of their product.

By opening up access, competition may be enhanced in related markets.

General issues

Apart from the specific responsibilities outlined above, we have a range of general responsibilities. In particular, under section 10(e) of the QCA Act, Ministers can direct us to investigate and report on matters relating to competition and industry.

Responsibilities outside the QCA Act

Our responsibilities, in addition to those under the QCA Act, include:

- setting regulated retail electricity prices under the *Electricity Act 1994* (the Electricity Act) for regional Queensland
- enforcing customer protections under the Electricity Distribution Network Code and the Gas Distribution Network Code.

Industry

During the course of our work, we work with stakeholders in the electricity, water, rail, ports and gas industries.

Our Board

Our board comprises four members, who are appointed by the Governor in Council, in accordance with the QCA Act. In appointing members, regard is given to their collective knowledge and understanding of commerce, economics, the responsibilities of the QCA, and the interests of consumers and other stakeholders. Board members are appointed for a term of not more than five years.

Chair

Professor Flavio Menezes



Appointment: April 2016–December 2021

Flavio Menezes is a Professor of Economics at The University of Queensland. He is an elected member of UQ's Academic Board and of its Standing Committee. He is the past President of the Economic Society of Australia (Queensland), Chair of the ERA 2018 economics and commerce research evaluation committee, a member of editorial boards and associate editor of a number of international journals, and a co-editor of the Economic Record. He has published over 75 journal articles on the economics of auctions, competition and regulatory economics, industrial organisation and market design.

Professor Menezes has extensive consulting experience. His experience in Australia includes advising the Federal Government, AEMC, ACCC, IPART, QCA, the Federal, ACT and Victorian Governments on market design issues in regulatory environments. It also includes providing economic advice to various private and public organisations on mergers, competition and regulatory issues in defence, fisheries, gambling, energy, banking, health, transport, water and telecommunications.

Deputy Chair

Madeline Brennan QC



Appointment: April 2016–December 2021

Madeline Brennan is a barrister practising in the state and federal jurisdictions, primarily in the areas of taxation and revenue, administrative law, and competition and consumer law. She has worked for a broad range of clients in the private and government sectors.

She holds a Bachelor of Laws (Hons), Bachelor of Arts (History Hons) and Diploma of Education. She was called to the bar in 1996 and took silk in 2015.

Madeline has long provided service on school, hospital and professional committees and boards. Most recently, she served for eight years on the Human Research Ethics Committee of the Queensland Institute of Medical Research.

Member

Dr Warren Mundy FAICD FRAeS



Appointment: June 2018–June 2021

Warren Mundy is the Managing Director of Bluestone Consulting, which has been providing advice to investors, regulators, providers, and users of a wide range of infrastructure services since 2003.

He was a Commissioner at the Australian Productivity Commission from 2009 to 2015 and also served as the Australian Competitive Neutrality Commissioner. He has held executive roles in airport companies in Australia and Europe.

At Airservices Australia, he served on the board for more than five years from 2008, including being the Deputy Chair for over four years. He was also a member of the Steering Committee for the joint

NSW and Commonwealth governments' Sydney Aviation Strategy and continued to advise the Australian Government on Sydney's second airport until the creation of the company to build the airport. Other roles were as a director of Vicforests, the Western Community Legal Services, James Watt College for Higher and Further Education, and the United Kingdom Airports Operators Association.

Dr Mundy is currently a director of the Sydney Desalination Plant, Transgrid, the Energy Industries Superannuation Scheme, and the National Health Co-operative.

Member

Fiona Guthrie AM



Appointment: January 2019–December 2021

Fiona is currently the chief executive of Financial Counselling Australia. Financial counsellors provide advice and support to people with money and debt problems.

Fiona has 30 years' experience in consumer advocacy, including a number of years on the executive of the Consumers Federation of Australia. She first became involved in issues affecting consumers, particularly people on low incomes or in vulnerable circumstances, after volunteering as a financial counsellor at Caxton Legal Centre in Brisbane in 1989.

She has held directorships on Energex Retail, the Insurance Ombudsman Service and the Financial Ombudsman Service and was previously Chair of ASIC's Consumer Advisory Panel.

Fiona is currently a member of the ACCC's Consumer Consultative Committee, the Australian Government Financial Literacy Board, the Way Forward Debt Solutions Board and is a director of consumer advocacy organisation, Choice.

She was a recipient of an Order of Australia in the 2017 Queen's Birthday honours for significant service to the community through social welfare and financial counselling roles.

Senior staff

Chief Executive Officer
Charles Millsteed



Charles Millsteed rejoined the QCA in 2010.

He commenced as CEO in September 2016 after various roles in senior management, including during a period of significant change for the QCA.

Charles has broad experience in policy analysis and economic regulation. He commenced his career at the Australian Bureau of Agricultural and Resource Economics, focusing on energy market analysis and assessing the impact of trade, investment and climate change policies.

Since 2001, Charles worked in economic regulation in various roles at the QCA, Ergon Energy and the Australian Energy Regulator.

Director—Business Performance
George Passmore



George joined the QCA in 2000.

George has over 20 years' experience in economic regulation.

As Director of Business Performance, his role involves managing the QCA's ongoing regulatory roles in compliance and monitoring of the performance of businesses regulated by the QCA. Before that, George was extensively involved in the economic oversight of water and local government sectors, as well as rail access regulation in the QCA.

George started his career with the Bureau of Agricultural Economics before moving to Queensland and working on sugar industry policy, water sector policy and Queensland's first review of irrigation water price paths.

Director—Peer Review
William Copeman



William Copeman joined the QCA in 2010.

William's diverse experience encompasses roles at Queensland Treasury, Queensland Treasury Corporation and Deloitte Economics.

As Director of Peer Review, his primary role is to provide assurance of the diverse technical analysis undertaken for the QCA. He also oversees internal product development and technical staff development initiatives.

He has delivered economic regulation, analysis and policy development in both the public and private sector. In particular, William has worked extensively in the Queensland water industry.

Director—Corporate Services
Ray Rapinette



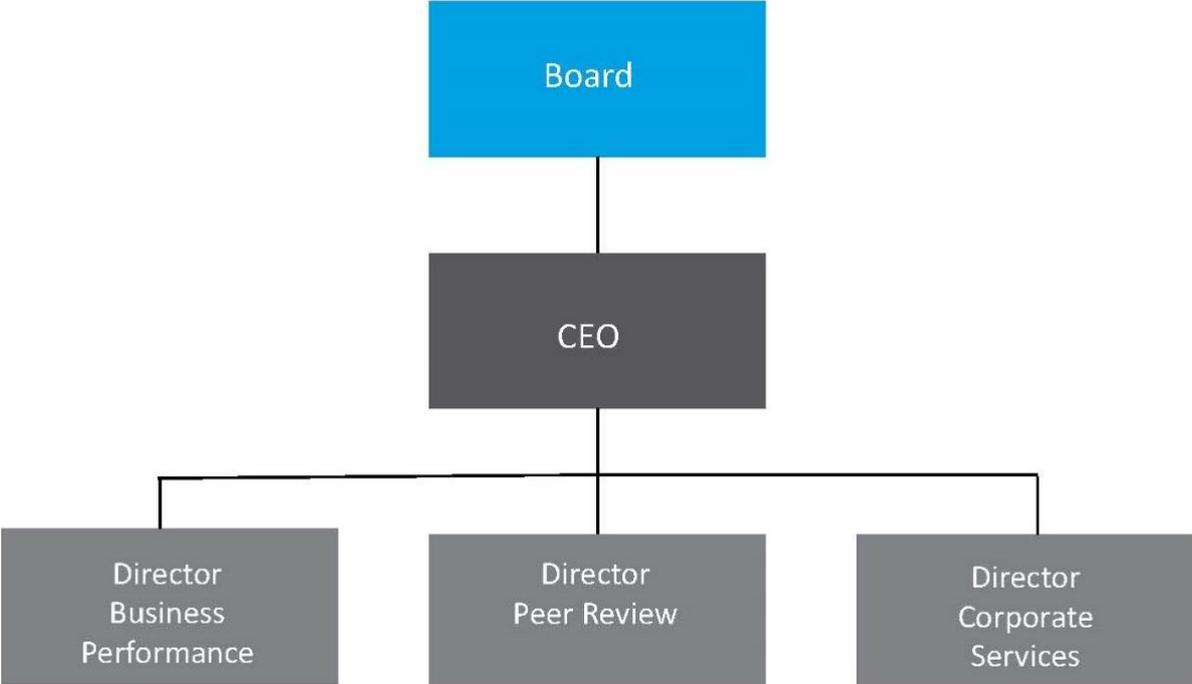
Ray Rapinette joined the QCA in 2016.

Ray has many years of experience in senior and executive roles in banking, local government and Queensland statutory bodies.

As Director of Corporate Services, his role is diverse in managing the provision of a range of corporate services, including governance, financial management, information technology, human resources and corporate administration.

Ray's previous roles included developing strategic frameworks, corporate and operational planning, cultural change and leading and managing multi-disciplinary teams to deliver major capital projects.

Organisational chart as at 30 June 2019



Government bodies 2018–19

Name of Government body: Queensland Competition Authority Board					
Act or instrument	<i>Queensland Competition Authority Act 1997</i>				
Functions	Our primary role is to ensure monopoly businesses operating in Queensland, particularly in the provision of key infrastructure, do not abuse their market power through unfair pricing or restrictive access arrangements. We achieve this through investigating and monitoring pricing practices of certain monopoly businesses and regulating third party access to essential infrastructure such as railways and port channels.				
Achievements	Refer to pages 12–36 of this annual report.				
Financial reporting	Financial transactions of the QCA are accounted for annually in the audited Financial Statements				
Remuneration					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Professor Flavio Menezes	48	\$150,000 p.a.	0	\$149,486
Deputy Chair	Madeline Brennan QC	49	\$75,000 p.a.	0	\$74,743
Member	Dr Warren Mundy FAICD FRAeS	47	\$75,000 p.a.	0	\$74,743
Member (from 1 January 2019)	Fiona Guthrie AM	23	\$75,000 p.a.	0	\$35,647
No. of scheduled meetings/sessions	49				
Total out of pocket expenses	\$390,751				

Chair's introduction

During a busy year of regulation across the electricity, water, rail and port sectors, it has been encouraging to see positive developments arising from several strategic themes the QCA has been pursuing for the last few years.

Industry-led solutions

Since 2016, we have been allowing time for collaborative submissions in our processes and encouraging stakeholders to engage constructively, with the aim of presenting agreed solutions to contentious issues. This has allowed industry to make compromises and find solutions that are mutually agreeable, instead of relying on the QCA for solutions that may not be.

There were plenty of industry-led solutions in matters that we dealt with in 2018–19, including the new access undertaking for Aurizon Network (UT5, implemented in February 2019), and the draft decision for Queensland Rail's next access undertaking (AU2, published in April 2019). We are currently reviewing submissions on the draft AU2 decision, and at the time of writing there were encouraging signs of further collaboration and potential for agreement amongst stakeholders on several important issues. Similarly, in May 2019, we received a proposal from Aurizon Network to amend UT5 to implement a broad range of arrangements recently negotiated and agreed with customers. This included things long thought desirable by industry, such as greater incentives for efficiency improvements, but which had been difficult to achieve due to a lack of industry consensus. While our assessment of Aurizon Network's proposal is ongoing, the presentation of such a proposal is a positive development and something we hope to see more of, including across other sectors.

Pro-active regulation

Another initiative, which is now yielding results, is the use of legislated powers to prevent the delay and withdrawal of regulatory proposals. This has decreased the duration and cost of regulatory processes, and reduced uncertainty regarding the prices and terms of using monopoly infrastructure.

Our work during 2018–19 on Queensland Rail's AU2 puts the process on track to deliver a replacement undertaking in time for the expiry of the existing undertaking.* Such an outcome was never achieved when regulated businesses were left to decide when to voluntarily submit proposals to replace undertakings. Our process for Dalrymple Bay Coal Terminal (DBCT), which commenced recently, is on a similar footing to that for Queensland Rail, and can therefore be expected to run more predictably to its conclusion in 2021, when the current undertaking expires.*

Predictable regulatory processes

Another recent theme has involved increasing the predictability of our regulatory processes through the publication of statements of regulatory intent. These statements guide stakeholders on how we will conduct our reviews, when and how they can have their say, and likely timeframes for decisions.

Reducing unnecessary regulatory burden

Finally, we have been regularly reviewing our compliance requirements to remove unnecessary burdens on regulated businesses, to reduce the cost and time required for necessary compliance activities—the costs of which are ultimately borne by customers.

Review of the declaration of services

The review of the declaration of services for Aurizon Network, Queensland Rail and DBCT was a key focus during 2018–19, with the release of our draft recommendations in December 2018 followed by rounds of stakeholder forums. The review remains on track for completion within the legislated timeframe, which is 8 September 2019 to 8 March 2020.

I would like to thank staff and members for their dedication and hard work in fulfilling our statutory obligations and in serving the Queensland people.

Chair

Professor Flavio Menezes

** Subject to the outcome of the review of the declaration of the service*

CEO's message

While we worked on a number of significant projects during 2018–19, the leadership team also focused on implementing a performance framework for the QCA, a range of activities related to staff training and wellbeing, and continuing to improve our corporate governance.

QCA performance framework

Last year we collaborated with Queensland Treasury to develop a performance framework for the QCA, with the aim of improving the transparency and accountability of our activities for our stakeholders. The framework focuses on operational practices and is based on key performance indicators for four themes:

- Effective and efficient regulatory outcomes
- Timely and transparent processes
- Efficient and reasonable costs and regulatory fees
- Effective stakeholder engagement and communication

Results for 2018–19 are presented in this report and indicate that while our performance across all of our projects was largely satisfactory, there are areas for improvement, such as more consistently assessing confidential information and publishing submissions in a timely manner.

Staff training and wellbeing

We strongly encourage staff to complete at least two days of training each year. To assist staff and management in deciding what training is suitable, we have developed a comprehensive training and development matrix. In addition to a broad range of externally provided technical and leadership training, staff benefited from the delivery of two in-house seminar series by our Peer Review team. The first series focused on regulatory economics and the building blocks model. The second series focused on legal topics, such as the Judicial Review Act.

As in previous years, we were grateful for the opportunity of a number of visits to sites owned and/or managed by rail, port and water asset entities. These provided an excellent opportunity for both staff and Members to engage with experts in regulated businesses and gain valuable insights into the industries we regulate.

In response to feedback received from staff during a survey at the end of 2018, we launched our 2019 Wellbeing Program. Our resilience program was the first significant initiative under this program. Staff could choose to attend a one-hour workshop or participate in a 12-month 'Thrive Resilience' program (an online assessment and resilience coaching program).

As of 30 June 2019, we have a total of 52 staff. Our staff retention has been good, with more than 27% of staff having recorded 10 years or more service with the QCA, and 5.8% recording 15 or more years. We recruited three graduates in 2018–19, as well as two student analysts, who undertook work assisting various QCA project teams while developing their professional and technical skills to complement their university studies.

Corporate governance and financial position

We are committed to the highest standards of corporate governance. This year we updated and created a number of policies, including CEO complaints and corrupt conduct policies. We updated the QCA fee framework, travel policy and the workplace rehabilitation policy.

We continue to be in a good financial position, with a surplus of \$0.5 million for this financial year. While our total revenue was lower than budgeted by \$1.8 million, our expenditure was also lower than budgeted, by \$3.9 million.

Finally, I would like to thank staff for their commitment, flexibility and professionalism during 2018–19. Thanks also to our Board members for their continued support, expertise and guidance over the past 12 months.

Chief Executive Officer

Charles Millstead

Economic regulation

Overview of projects in 2018–19

The QCA's role:

- *determining and recommending prices*
- *monitoring prices and services*
- *overseeing access regulation*

Regulated retail electricity prices 2019–20

On 20 December 2018, we received a delegation from the Minister for Natural Resources, Mines and Energy to determine regulated retail electricity prices (notified prices) for 2019–20.

On 21 December 2018, we published an interim consultation paper to commence the stakeholder consultation process. Submissions on this paper were due by 18 January 2019, and we received 13 submissions.

On 28 February 2019, we released our draft determination on 2019–20 notified prices.

After that, we conducted a series of stakeholder workshops across Queensland. A webinar was also held in conjunction with the Chamber of Commerce and Industry Queensland. Submissions on the draft determination were due on 12 April 2019, and we received 34 submissions.

On 31 May 2019, we published our final determination on 2019–20 notified prices. The typical customer on the main residential tariff (tariff 11) will see a decrease of 4.4% and the typical customer on the main small business tariff (tariff 20) will see a decrease of 5.8%.

Review of electricity distribution network reliability standards for 2020–25

On 30 January 2019, the Minister for Natural Resources, Mines and Energy directed the QCA provide a written report setting out recommended network reliability standards for Energex and Ergon Energy's electricity distribution networks for the period 1 July 2020 until 30 June 2025.

We released a discussion paper on 28 February 2019 to commence the review and request stakeholder feedback. Submissions were due on 22 March 2019.

We provided the draft report with our preliminary findings to the Minister on 30 April 2019 and published the report on the same day. We received one submission on the draft report. On 24 June 2019,

we published our final report and provided it to the Minister.

The final report recommended that the minimum service standard (MSS) limits be held at their current levels for the 2020–25 period. This recommendation was based on stakeholder submissions and findings of recent consumer research, which indicated that Queensland electricity consumers were largely satisfied with their supply reliability and unwilling to either pay more for better reliability, or to accept any deterioration in reliability.

While we recommended no changes to the MSS limits themselves, we did identify opportunities to reduce compliance and reporting burdens by aligning some MSS definitions and exclusions with those of the Australian Energy Regulator's Service Target Performance Incentive Scheme.

We also examined the provisions relating to the Service Safety Net Targets and Worst Performing Feeder improvement programs. We recommended minor changes to these arrangements to achieve greater alignment of and consistency between the frameworks applying to Energex and Ergon Energy.

Rural irrigation price review 2020–24

Sunwater and Seqwater provide water supply services to irrigation customers. They also provide services to a range of other customers, including water retailers, other industrial customers, local government and other water entitlement holders.

On 29 October 2018, we received a referral notice from the Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships directing us to investigate pricing practices relating to the monopoly business activities of Sunwater and Seqwater to the extent that those activities are undertaken for irrigation services. The key objective of the investigation is to recommend irrigation prices for the 22 water supply schemes (WSSs) operated by Sunwater and the 7 WSSs operated by Seqwater over the period 1 July 2020 to 30 June 2024.

We have been asked to recommend prices that are based on existing prices transitioning to prices that reflect prudent and efficient operating, maintenance and renewals costs attributable to each WSS. In recommending prices, we also need to balance the commercial interests of the water businesses with the interests of their customers, including moderating the bill impact of higher volumetric prices.

We have engaged extensively with the water businesses and other stakeholders in preparing our draft report, due 31 August 2019. We invited initial submissions from stakeholders to identify issues they think should be covered as part of our investigation by 30 November 2018. We also sought submissions from stakeholders on the proposed costs (and supporting information) from the water businesses and on our dam safety consultation paper by 8 March 2019. We conducted regional workshops in January/February 2019 to outline our review process and discuss relevant issues.

We will release our draft report by 31 August 2019 for stakeholder comments. We are required to provide our recommendations to the government by 31 January 2020.

Declaration reviews

The Queensland third party access regime is contained in Part 5 of the QCA Act. Currently, three services are declared for third party access:

- the use of a coal system for providing transportation by rail. The relevant 'coal system' is defined to include rail transport infrastructure that is part of the Blackwater, Goonyella, Moura and Newlands systems
- the use of rail transport infrastructure for providing transportation by rail, where the railway manager is Queensland Rail, or its successor, assign or subsidiary
- the handling of coal at Dalrymple Bay Coal Terminal by the terminal operator.

The existing declarations expire on 8 September 2020.

On 4 April 2018, we commenced the review and sought stakeholder submissions. Initial submissions were received by 30 May 2018, with stakeholders given further time to provide additional cross-submissions.

We published our draft recommendations in December 2018.

In summary, our draft recommendations are that the coal handling service provided by DBCT Management and the below-rail service provided by Aurizon Network be declared, while the below-rail service provided by Queensland Rail be declared in part. This would mean that DBCT Management, Aurizon Network and Queensland Rail would continue to be required to negotiate access to the declared services with access seekers, as governed by the QCA Act.

We sought submissions on our draft recommendations as well as further cross-

submissions. We have also conducted a range of stakeholder forums with interested parties.

We are required to provide our recommendations to the Treasurer by 8 March 2020.

Access undertakings

We have an active role in administering access undertakings given by the three businesses currently subject to the access regime contained in Part 5 of the QCA Act.

Queensland Rail

Queensland Rail is a statutory authority that provides passenger train services and operates a rail network that includes south east Queensland commuter lines, the West Moreton system and the Mount Isa and North Coast lines.

On 14 September 2017, we issued Queensland Rail with an initial undertaking notice under section 133 of the QCA Act, requiring it to submit a draft access undertaking (the 2020 DAU). Queensland Rail lodged the 2020 DAU on 14 August 2018.

We released a draft decision on Queensland Rail's 2020 DAU on 29 April 2019. The draft decision sets out our preliminary assessment of the DAU against the relevant statutory criteria and the reasons why we do not consider it is appropriate to approve the 2020 DAU. The draft decision also contains amendments considered appropriate in order for us to approve a replacement undertaking.

Submissions on the draft decision are due by 11 July 2019.

We expect to release a final decision in early 2020. This should provide sufficient time to have an appropriate replacement undertaking ready when the 2016 access undertaking terminates at the end of June 2020.

DBCT

The Dalrymple Bay Coal Terminal (DBCT) is a coal export terminal located in central Queensland, approximately 40 kilometres south of Mackay. DBCT is the only port facility that has been declared under Part 5 of the QCA Act.



While the Queensland Government owns DBCT, the terminal is leased to DBCT Management, which is a subsidiary of Brookfield Infrastructure Partners (a global owner and operator of infrastructure assets). DBCT Management has a 50-year lease over the terminal from 2001, with an option to extend the lease for a further 49 years.

DBCT Management has subcontracted the day-to-day operational management of the terminal to DBCT Pty Ltd (DBCT PL). DBCT PL is an independent service provider owned by a majority of the existing users of the terminal. DBCT Management provides access to the terminal under the terms and conditions set out in its 2017 access undertaking, which we approved in February 2017.

The DBCT 2017 access undertaking terminates on the earliest of:

- 1 July 2021, or
- the date the handling of coal at the terminal ceases to be a declared service.

On 12 October 2017, the QCA issued DBCT Management with an initial undertaking notice (IUN) under section 133(1)(b) of the QCA Act, requiring it to submit to us by 1 July 2019 a draft access undertaking for the services declared under section 250(1)(c) of the QCA Act. In accordance with the IUN, on 1 July 2019 DBCT Management submitted a draft access undertaking to the QCA for assessment.

We consider that the period provided for the assessment of the draft access undertaking should allow sufficient time to have an appropriate replacement undertaking approved when the 2017 access undertaking notionally terminates.

Aurizon Network

Aurizon operates and manages Australia's largest export coal rail network, the Central Queensland Coal Network (CQCN), through its subsidiary company Aurizon Network (map, page 15).

Aurizon Network's 2017 access undertaking (UT5) sets out details of the terms on which it undertakes to provide access to the CQCN.

On 11 May 2016, we issued an initial undertaking notice to Aurizon Network in accordance with section 133 of the QCA Act.

On 30 November 2016, Aurizon Network submitted a draft access undertaking for the regulatory period commencing 1 July 2017 (the 2017 DAU).

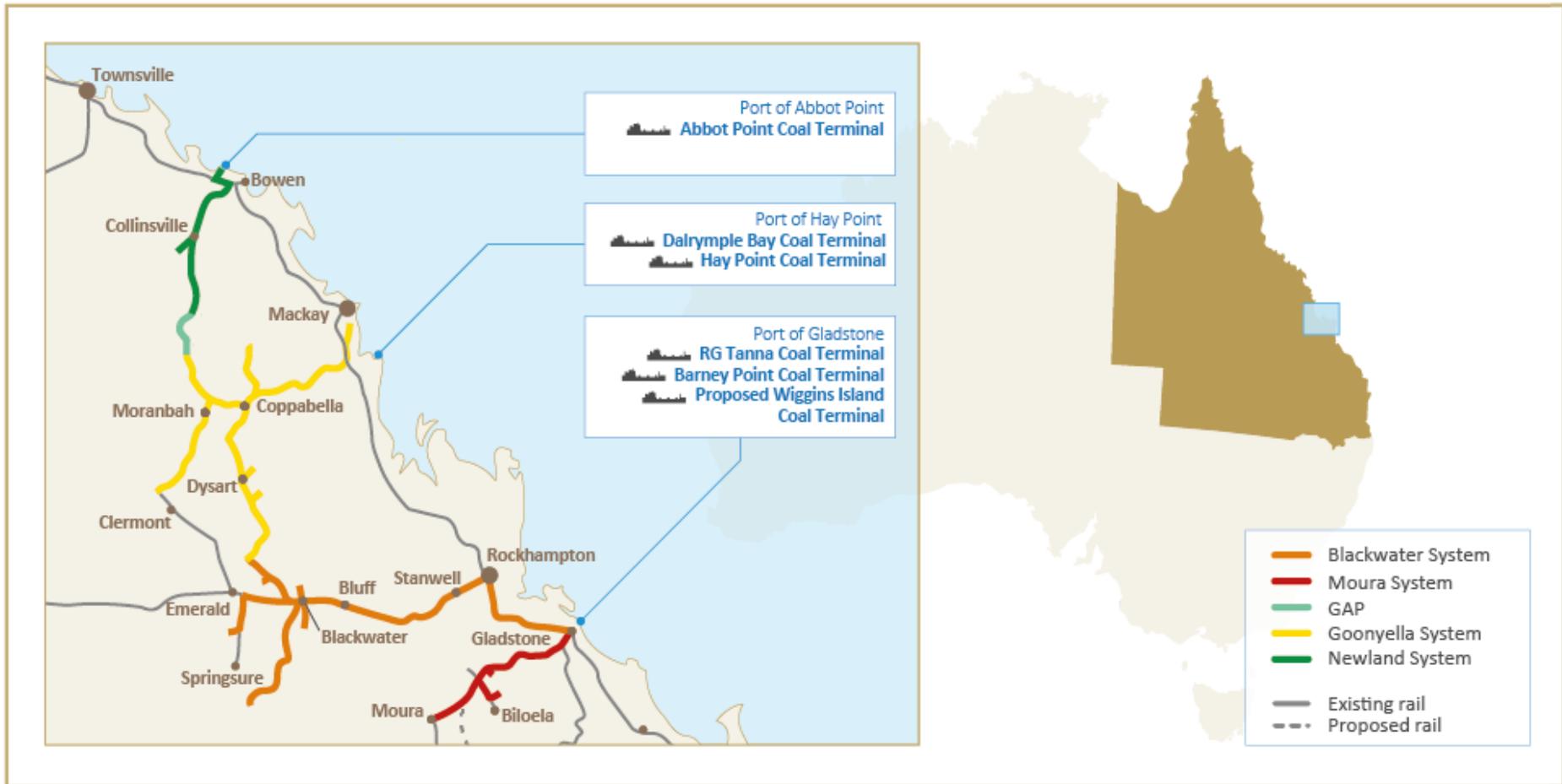
We published our draft decision in December 2017. This set out our preliminary assessment of Aurizon Network's 2017 DAU.

In April 2018, Aurizon Network applied for a judicial review in relation to our draft decision. This matter was heard in the Supreme Court of Queensland on 22–24 October 2018.

On 30 October 2018, the Court dismissed Aurizon Network's application and awarded us costs.

On 6 December 2018, we released our final decision, which was to refuse to approve Aurizon Network's 2017 DAU. The final decision set out our reasons for the refusal and the amendments to Aurizon Network's 2017 DAU we considered appropriate in order to approve the draft access undertaking.

On 18 February 2019, Aurizon Network complied with our final decision and we approved its UT5 access undertaking on 21 February 2019.



Ongoing regulatory work

The Business Performance division within the QCA handles a range of ongoing economic regulatory work that falls outside of scope of individual projects. This includes monitoring compliance and performance, conducting capital expenditure reviews and tariff variation reviews, and dealing with stakeholder queries.

In 2018–19, Business Performance progressed a range of matters arising from access undertakings for Aurizon Network, DBCT Management and Queensland Rail. Most notable amongst these matters are:

Aurizon Network

- UT5 draft amending access undertaking (DAAU)
- reference tariff variation DAAU
- electric traction DAAUs for 2017, 2018 and 2019
- 2018 compliance notice—maintenance
- baseline capacity assessment report
- capital expenditure claims for 2016–17 and 2017–18
- regulatory asset base roll-forwards for 2015–16 and 2016–17
- revenue adjustment for 2018–19
- QCA levy for 2018–19

DBCT Management

- remediation allowance DAAU
- trading supply chain business DAAU
- non-expansion capital expenditure claim for 2018–19
- annual revenue requirement and reference tariff for 2018–19
- change in reference tonnage review events

Queensland Rail

- reference tariff review event—New Hope
- 2013–17 West Moreton capital expenditure claim
- Toowoomba Range slope stabilisation project capital expenditure pre-approval
- QCA levy for 2018–19.

Business Performance also managed the following (ongoing) projects in relation to energy:

- undertaking the 2020 Guaranteed Service Levels review
- monitoring the SEQ retail electricity market—quarterly and annual monitoring
- monitoring SEQ solar feed-in tariffs
- setting the solar feed-in tariff for regional Queensland, as well as providing advice on a time-varying solar price for regional Queensland
- monitoring compliance with the Electricity Distribution Network Code and derogations to the National Energy Customer Framework
- amending the Electricity Distribution Network Code
- providing advice to the Minister for Natural Resources, Mines and Energy when directed to do so.

Corporate matters

Overview

Corporate governance

We place great emphasis on corporate governance, including a robust and fact-based decision-making process. Under the guidance of QCA Members, management has implemented an administrative framework designed to support the delivery of effective and efficient economic regulation for Queensland.

The framework is supported by a range of policies and procedures to help ensure that assets are safeguarded, proper financial and accounting records are maintained and the work and effort of the staff are consistent with the Board's strategic direction.

A good measure of the success of the administrative framework is reflected in the annual audit certification provided by the Queensland Audit Office. We received an unqualified audit certificate for the reporting period.

Information and knowledge is considered a key and valuable asset. Accordingly, emphasis is placed on the management and protection of information, as well as on the maintenance of confidentiality where appropriate. Our records are stored electronically and paper records are retained as required. There were no breaches of information security during the financial year.

Corporate culture

This year, leadership and teams based programs were provided to staff, extending the work and value gained from the previous year's training and development support program.

We continue to develop innovative professional development support initiatives that complement and extend the suite of training programs available to our professional staff. Our values (trust, respect, achievement, integrity and teamwork) underpin our culture.

Our Code of Conduct and the Members' Code of Conduct contain direction on governance matters. We reviewed both documents and updated them to align with current best practice. We pay particular attention to possible conflicts of interest and when evident, Members and staff absent themselves from all deliberations where conflicts of interest, real or perceived, are suspected or arise.

All staff contracts include the requirement to abide by the Code of Conduct and to disclose any potential or

actual conflicts of interest. This is further reinforced through awareness sessions and training.

Risk management

We monitor our major risks, including physical risks, employee practices liability, financial management risks, information protection and reputation risks. We review the risk register quarterly to check mitigation and monitoring controls and activities. The Board reviews all potential risks annually and maintains a watching brief over key and critical risks to ensure adequate mitigation and controls are effective.

Policy and corporate documents

We routinely review and update our policies and guidelines. Policies reviewed or created during the reporting period include:

- CEO complaints policy
- Corrupt conduct policy
- CEO and staff authorisations policy
- Fee framework
- Travel policy
- Workplace rehabilitation policy.

All staff periodically receive awareness training and guidance on the application of policy requirements.

Financial performance

We reported a surplus of \$0.5 million for the 2018–19 financial year.

Our total revenue was lower than budgeted by \$1.8 million, largely due to decreased activity related to DBCT (\$0.7 million), Energy—Retail (\$0.5 million) and deferred fees for the Irrigation Pricing Review (\$1.9 million) and GAWB (\$0.7 million), offset by higher than budgeted revenue from Aurizon Network (\$0.8 million) and Energy—Distribution (\$0.5 million). A number of minor variances account for the remaining difference between budgeted and actual revenue.

Our total expenditure was lower than budgeted by \$3.9 million. Employee expenses were \$0.1 million less than budget, and payments for specialist advice were also \$3.5 million less than budget. A number of minor variances account for the remaining \$0.3 million of under-spend relative to budget.

The favourable expenditure variance of \$3.9 million, offset by the impact of lower revenue of \$1.8 million, explains the increased surplus of \$0.5 million from the budgeted shortfall of \$1.6 million.

Expenditure, including performance against budget, is reported monthly to the Board.

Environmental statement

We maintain an environmentally friendly workplace. The Ann Street office has a 5.5-star NABERS energy rating and a 4-star NABERS water efficiency rating. We support the efficiency measures initiated by the building's management.

The office environment benefits from low sills and a stepped perimeter ceiling that maximises the natural light penetration and, together with motion-activated lighting, saves energy. We also promote recycling and we have in place recycling bins for paper and cardboard. The building facilities also support our work-life balance policies, with excellent end-of-trip facilities (including secure bike racks and showering facilities) and heart-smart stairs between floors.

Other information

Information on the following is available through the Queensland Government's Open Data website:

qld.gov.au/data:

- consultancies
- overseas travel.

Our performance results in 2018–19

We have established a performance framework, along with a set of key performance indicators (KPIs), in June 2018. The framework focuses on operational practices, rather than matters of policy or legislation. At the highest level, the framework reflects our commitment to continue to innovate, manage costs and improve productivity.

Four themes underpin our performance objectives. They form the basis for the KPIs:

- Effective and efficient regulatory outcomes
- Timely and transparent processes
- Efficient and reasonable costs and regulatory fees
- Effective stakeholder engagement and communication.

Commitment to accountability and transparency

Regulators are required to do their work in accordance with their enabling legislation. They must also act responsibly, impartially, transparently and with integrity.

Our values (achievement, trust, respect, integrity and teamwork) drive our culture and reflect our commitment to high standards—one of which is to achieve best practice in its operations.

The performance framework includes a set of measurable key performance indicators aimed at helping us to continuously improve and better manage

daily operations, improve performance and discharge our responsibilities efficiently and effectively.

We eagerly seek to engage constructively with all stakeholders and have embedded protocols that demonstrate transparency and accountability. We also encourage regulated entities and their customers to work towards mutually agreeable outcomes throughout the review and submissions process.

Annual review

The performance framework includes an annual self-assessment and a biennial external review. The self-assessment is peer-reviewed internally and results are referred to the Board prior to publishing in the annual report. All stakeholders are encouraged to provide feedback and comments following the publication of the annual assessment and the biennial review. All feedback will be referred to our Board for consideration.

The first of the biennial reviews will be conducted following the 2019–20 financial year performance results. A suitable firm will be engaged to independently review our performance framework, KPIs and the results of the preceding two financial years. The results will be published on our website.

Assessing our performance

We maintain a rolling work program that is generated by the requirements of the QCA Act, referrals and directives from the Queensland government. The annual work program is delivered on a project management basis. For this year's assessment, each project has been assessed against all the KPIs. Each assessment was peer-reviewed, and results were submitted to our Board for consideration and authorisation to publish.

Our results

Our performance results for 2018–19 are shown in the figure below. A number of projects are still in progress (further details on projects' status are in the table below).

LEGEND	
Not Applicable	Light Blue
Not Achieved	Red
Work in Progress	Yellow
Achieved	Green

Key performance indicators

Efficiency and prudence of QCA costs and regulatory fees

1.1	1.1.1	QCA costs based on fee framework.
	1.1.2	Regulated entities notified of estimated costs prior to 30/06.
	1.1.3	Costs tracked monthly and >15% deviations from estimates reported to regulated entity.
✓	1.2	1.2.1 QCA fees independently audited annually to verify fees charged in accordance with fee framework.
✓	1.3	1.3.1 Continuous improvement to the cost efficiency of QCA's projects and operations - consultancies assessed on best value basis, increase in discretionary employee expenses less than greater of CPI or 3%.

Timely and transparent processes

2.1	2.1.1	Timeliness of decisions on or under 'Access Undertakings' - statutory timeline met.
✓	2.2	2.2.1 Timeliness of all other statutory decisions - reporting completed by Ministerial deadline.
✓	2.3	2.3.1 Availability of submissions and decisions - all non-confidential submissions and decisions published on our website within 10 working days.
	2.3.2	Assessment of confidential submissions within 30 days.

Effective processes for replacing access undertakings - new access undertakings approved and published prior to the expiry of the previous undertaking.

✓	3.1	3.1.1 Effective processes for replacing access undertakings - new access undertakings approved and published prior to the expiry of the previous undertaking.
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Effective stakeholder engagement

✓	4.1	4.1.1 Projects involving stakeholder input are well communicated - publish Statement of Regulatory Intent or Information Notice explaining purpose, process and timeframe as well as opportunities for consultation and communication.
	4.1.2	Fact sheets published for all pricing decisions and recommendations.
	4.2	4.2.1 Opportunities for stakeholder consultation - period of consultation to be at least 25% of total duration of project.
	4.3	4.3.1 Digital engagement - webinar within 60 days of regional retail electricity pricing <u>draft</u> decisions.
	4.4	4.4.1 Regional engagement - at least 5 workshops prior to regional retail electricity pricing <u>final</u> decisions.
	4.5	4.5.1 Industry consultation - at least 2 Consumer Advisory Committee workshops annually.
	4.6	4.6.1 Industry engagement - engage with regulated entities (e.g. site visits).
	4.6.2	Stakeholder engagement - engage with stakeholders (e.g. meetings, forums, written notices).

PROJECTS

Declarations 2020 review	Dairyville Bay Coal Terminal (DBCTM) access undertaking 2021-24	Aurizon Network's access undertaking 2017-21 (U15)	Queensland Rail's 2020 draft access undertaking	Rural Irrigation price review 2020-24	Regulated retail electricity prices and associated in tariffs for 2019-20	SEO electricity retail market monitoring 2018-19	Reliability standards for Energex and Ergon Energy for 2020-25	Review of fuel-intensity service levels applicable to Energex and Ergon Energy during 2020-25
Green	Green	Green	Green	Green	Green	Green	Green	Green
Green	Green	Green	Green	Green	Green	Green	Green	Green
Green	Green	Green	Green	Green	Green	Green	Green	Green
Yellow	Yellow	Green	Yellow	Yellow	Green	Green	Green	Green
Light Blue	Yellow	Green	Yellow	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Yellow	Light Blue	Light Blue	Light Blue	Yellow	Green	Green	Green	Light Blue
Green	Green	Red	Green	Yellow	Green	Green	Green	Green
Red	Light Blue	Red	Light Blue	Light Blue	Green	Light Blue	Light Blue	Green
Light Blue	Light Blue	Red	Yellow	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Green	Green	Green	Green	Green	Green	Light Blue	Green	Green
Yellow	Light Blue	Green	Yellow	Yellow	Green	Light Blue	Green	Light Blue
Green	Light Blue	Green	Green	Yellow	Green	Light Blue	Green	Green
Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Green	Light Blue	Light Blue	Light Blue
Light Blue	Light Blue	Light Blue	Light Blue	Yellow	Green	Light Blue	Light Blue	Light Blue
Light Blue	Light Blue	Light Blue	Light Blue	Yellow	Green	Green	Green	Green
Green	Green	Green	Yellow	Yellow	Green	Light Blue	Green	Light Blue

Projects undertaken in 2018–19

Project	Description	Status	Summary
Declarations 2020 review	A review to recommend whether services (or part of them) should be 'declared' from 9 September 2020 and for how long	In progress	<p>This review differs from the other reviews, as it is not a pricing or access review. It assesses whether the services relating to the infrastructure of Queensland Rail, Aurizon Network and Dalrymple Bay Coal Terminal Management should be declared, should be partly declared, or should not be declared when the current declaration period expires.</p> <p>If a service is declared, third parties who need access to the service can negotiate terms for access in accordance with the approved undertaking.</p> <p>Except for one indicator, all required indicators either have been achieved or are in progress. Some aspects of confidential submissions were not released before 30 days. Lengthy discussions/negotiations with the relevant stakeholders had to take place, thus extending the time for publication.</p> <p>We published draft recommendations in December 2018. Extensive stakeholder engagement took place before and after publication of the draft recommendations, through discussions papers, notices, invitations to make submissions and public forums.</p> <p>The project is on track to be completed, and the final report provided to the Treasurer, by 8 March 2020.</p>
Dalrymple Bay Coal Terminal Management (DBCTM) draft access undertaking 2021–26	A review of a draft access undertaking (DAU) to be submitted after 30 June 2019 by DBCTM	In progress	<p>Preliminary work only has been conducted on this project up to 30 June 2019. That includes issuing an initial undertaking notice to DBCTM and publishing a statement of regulatory intent.</p> <p>Substantive assessment of the DAU will take place in 2019–20 and 2020–21.</p> <p>The full assessment and reporting of KPIs will be more relevant in the 2019–20 reporting period.</p>
Aurizon Network 's draft access undertaking (DAU) 2017–21 (UT5)	A review of a DAU that Aurizon Network submitted on 30 November 2016	Completed	<p>In May 2016, we issued an initial undertaking notice to Aurizon Network in accordance with section 133 of the QCA Act. In November 2016, Aurizon Network submitted its proposed draft access undertaking for the regulatory period.</p> <p>Our draft decision was published in December 2017 setting out our preliminary assessment of Aurizon Network's 2017 DAU.</p>

Project	Description	Status	Summary
			<p>In December 2018, we released our final decision, which refused to approve Aurizon Network's 2017 DAU. In response, Aurizon Network submitted its amended 2017 DAU on 18 February 2019, which the QCA approved on 21 February 2019.</p> <p>The UT5 undertaking was not approved and published before the initially scheduled expiry of the UT4 undertaking. This was largely the result of flow-on impacts of a protracted UT4 undertaking process. The QCA also needed to request a significant amount of additional information from Aurizon Network in order to assess the 2017 DAU, which further contributed to delays.</p> <p>Target timeframes for publishing submission material and assessment of confidentiality claims were not met in all instances. In some cases, these delays arose from the receipt of late information, which needed to be assessed in accordance with the QCA Act. Confidentiality claims were managed in accordance with project protocols. These aspects will be the subject of a review to determine process improvements for future projects whenever possible.</p> <p>This project is now finalised.</p>
<p>Queensland Rail's 2020 draft access undertaking (DAU)</p>	<p>A review of a DAU that Queensland Rail submitted on 14 August 2018</p>	<p>In progress</p>	<p>In September 2017, we issued an initial undertaking notice to Queensland Rail under section 133 of the QCA Act, starting a regulatory process designed to have an appropriate undertaking ready to replace the 2016 access undertaking when it expires on 30 June 2020.</p> <p>On 29 April 2019, we published a draft decision setting out our preliminary assessment of Queensland Rail's 2020 DAU. This was consistent with the expected timing in our project plan.</p> <p>All relevant indicators either have been achieved or are in progress. Overall, the project is on track to enable the QCA to make a final decision and have an approved access undertaking in place by 1 July 2020.</p>

Project	Description	Status	Summary
<p>Rural irrigation price review 2020–24</p>	<p>A review to recommend rural irrigation prices in Queensland for the period 1 July 2020 to 30 June 2024</p>	<p>In progress</p>	<p>The Queensland Government directed us on 29 October 2018 to investigate pricing practices relating to Sunwater and Seqwater’s irrigation services.</p> <p>In October 2018, we issued a Notice of Investigation seeking submissions from Sunwater and Seqwater on proposed costs along with a detailed guidance note and a consultation paper on dam safety upgrade costs.</p> <p>Sunwater provided its submission on 8 November 2018 and a further appendix on ‘Customer engagement’ on 20 November. Seqwater lodged a late submission on 5 December 2018, which was accepted by the QCA. Initial stakeholder submissions were received between 5 and 17 December 2018.</p> <p>In January and February 2019, regional workshops were held at Mareeba, Gatton, Clare, Maryborough, Mackay, Murgon, Fernvale, Bundaberg, Pittsworth, Monto, Theodore, Emerald and Brisbane, aimed at explaining our regulatory role and the process we are following for this review. Subsequent stakeholder submissions were received in March 2019.</p> <p>This project is active and all relevant indicators either have been achieved or are in progress.</p> <p>The final report with recommendations as detailed in the referral notice is due to be delivered to the Minister for Natural Resources, Mines and Energy by 31 January 2020.</p>
<p>Regulated regional retail electricity prices for 2019–20; and the solar feed-in tariff for 2019–20</p>	<p>A pricing review to determine the regional retail electricity prices that Ergon Energy may charge customers on standard contracts from 1 July 2019 to 30 June 2020; and a review to determine the regional solar feed-in tariff payable to customers by Ergon Energy for the same period</p>	<p>Completed</p>	<p>We determined, separately, the 2019–20 regional retail electricity prices (notified prices) and solar feed-in tariff in accordance with the timeframes specified in the delegations from the Queensland Government.</p> <p>We conducted substantive consultation with stakeholders in a number of regional centres, as part of the notified prices project. No consultation was required for the solar feed-in tariff determination.</p> <p>We applied our established project methodology during both determinations, and all relevant target indicators were achieved.</p> <p>We published both decisions on 31 May 2019.</p>

Project	Description	Status	Summary
<p>SEQ electricity retail price monitoring for 2017–18 and 2018–19</p>	<p>The monitoring and review of the operation of the retail electricity market in south east Queensland (in the Energex distribution area) from 1 July 2018 to 30 June 2019</p>	<p>Completed</p>	<p>We published the fourth quarter results of the 2017–18 price monitoring in July 2018 and the annual report for 2017–18 in November 2018. We published an updated annual report for 2017–18 in March 2019, after retail performance data from the Australian Energy Regulator became available.</p> <p>We published three quarterly reports on the SEQ retail electricity market in 2018–19. Consistent with the monitoring conducted in 2017-18, the reports analysed the prices, incentives and benefits attached to electricity retailers’ offers in SEQ.</p> <p>The review was conducted in accordance with QCA’s established project methodology and achieved all relevant target indicators.</p> <p>A fourth quarterly report, and an annual report covering the whole of 2018–19, will be published in the first half of 2019–20.</p>
<p>Reliability standards for Energex and Ergon Energy from 2020–25</p>	<p>A review to recommend reliability standards for Energex and Ergon Energy for 1 July 2020 to 30 June 2025</p>	<p>Completed</p>	<p>We released a discussion paper for consultation in February 2019, and a draft report for further consultation in April 2019. In total, six weeks of public consultation time was offered, which represented around one third of the total project duration.</p> <p>We published our final report on 24 June 2019, ahead of the required deadline. The report concluded that the current minimum levels of reliability remained appropriate. The report also recommended revisions to some definitions and changes to bring the reliability standards applying to Energex and Ergon Energy into closer alignment.</p> <p>We engaged actively with stakeholders, including through the Consumer Advisory Committee. Throughout the process, we maintained constructive engagement with representatives of Energex and Ergon Energy, which proved valuable in developing an understanding of the businesses and the key issues under review.</p> <p>The review was conducted in accordance with the project work plan as requested by the Minister for Natural Resources, Mines and Energy in February 2019, which established the project methodology. All relevant target indicators were achieved.</p>

Project	Description	Status	Summary
<p>Review of guaranteed service levels applicable to Energex and Ergon Energy during 2020–25</p>	<p>A review of the guaranteed service level (GSL) scheme in Queensland (including GSL measures, thresholds and payments).</p>	<p>Completed</p>	<p>The review of the GSL scheme before the commencement of each five-year regulatory period is a requirement of the Electricity Distribution Network Code (the Code).</p> <p>In March 2019, we published our final decision of the review of the GSL scheme to apply to Energex and Ergon Energy from 1 July 2020.</p> <p>The review concluded that most of the existing GSL measures remain appropriate for the 2020–25 regulatory period. The only significant change we proposed was the removal of the GSL for hot water supply as it is no longer required. As in our previous (two) reviews, we recommended that the GSL payments, including the annual cap on entitlements, be escalated by the consumer price index to maintain the real value of the payments.</p> <p>A key recommendation of the review was that the purpose of GSL payments be stated clearly in the Code. Accordingly, the final decision stated that the Code should be amended to state that GSL payments acknowledge the inconvenience a customer experiences when a distributor does not meet a GSL.</p> <p>The review was conducted in accordance with QCA’s established project methodology, and all relevant target indicators were achieved.</p>

Our people and workforce profile

As at 30 June 2019, we employed 50.46 full-time equivalent employees (headcount totalled 52) in a range of technical and support roles. Employees who have worked for us for more than 10 years made up 27 per cent of the staff, and 5.8 per cent had recorded 15 or more years of service.

For the financial year ended 30 June 2019, we had a permanent employee separation rate of 7.7 per cent. The major reason for separation continued to be further career progression (5.8 per cent), primarily with larger organisations.

Queensland public service values

The Queensland public service values are:

- Customers first
- Ideas into action
- Unleash potential
- Be courageous
- Empower people

Our values align with these values. We aim to be a high-performing, impartial and productive workplace.

Diversity and workplace equity

We are committed to a workplace that is fair and inclusive, and promotes our values and a positive workplace culture. In 2018–19, all employees completed on-line refresher training on the Code of Conduct and Respect in the Workplace, with new employees attending classroom training on these topics. Workplace equity and anti-discrimination principles remain enshrined into QCA policies and procedures.

Workforce planning

Our staffing levels are based on the annual operational plan and projected resources required for various projects. In addition to core staffing levels, we engage consultants or contract staff for specialist advice and, if necessary, for meeting peak activity demands.

In 2018–19, we again employed three graduates, building future capability. In addition, two student analysts undertook work assisting various project teams.

QCA mentoring program

Our mentoring program provides an opportunity for a mutually beneficial mentoring relationship between participants. The program is designed to enhance professional development and increase reflection on performance and career goals, encourage and develop leadership at all levels of the QCA, improve performance and achievement and encourage a culture of support and guidance.

Employee development and performance management framework

Our Learning and Support Plan 2017–20 provides a structured approach to learning and development, building our project delivery capability. The plan is supported by the comprehensive training and development matrix, which provides information on relevant courses and programs for both analysts and corporate services employees, as well as leadership development programs.

The corporate induction program for new employees covers HR and general QCA policies (including the Code of Conduct and Public Interest Disclosure), health and safety, document management, IT and systems induction, style and writing induction and general orientation.

A training plan is developed for each employee during the annual performance evaluation process to guide the professional development opportunities offered to individual employees. Formal study by our staff is also supported by the QCA's Study and Research Assistance Scheme.

The performance framework for employees is centred on setting key performance indicators (KPIs) annually. The results of annual KPI reviews are considered as part of the annual salary review process. Feedback from this process also informs decisions regarding employee project placement and suitability for promotions.

Industry knowledge and training

We made arrangements with regulated entities and relevant industry bodies for staff to visit sites owned or managed by rail, port and water asset entities. The visits helped staff to understand the infrastructure assets associated with our regulatory function.

During 2018–19, a number of staff and members visited the Tugun desalination plant, the Mudgeeraba and Molendinar water treatment plants, the Somerset, Wivenhoe and Hinze dams, and the Dalrymple Bay Coal Terminal. Each visit was hosted by the entity and generally included an overview presentation, an observation of site operations, a comprehensive tour of the facility including key assets, built infrastructure and major capital equipment, and a discussion about operational challenges and future plans.

Leadership development framework

A two-day off-site leadership program was conducted for project managers in 2018–19. The program centred on advancing the participants' knowledge, skills and understanding in relation to leadership.

Our Leadership Development Plan provides a framework that supports and develops our leaders and shapes the QCA leadership culture. The plan is mainly aimed at the senior leadership team, existing

corporate/project/program leaders and emerging leaders. This plan is complemented by a matrix of leadership competencies and relevant training and development options for all target groups. In addition, programs to support women in leadership are offered throughout the year.

Work–life balance

We encourage our employees to maintain a healthy work–life balance; 42% of them use flexible working practices such as part-time employment, purchased leave and working from home arrangements. All of these arrangements are carefully balanced with operational requirements. Our employees are encouraged to use annual leave accruals between projects, ensuring appropriate periods of revitalisation. We also have a mother’s room available to employees as needed.

Health and safety initiatives

Employee safety remains a priority for us. In 2018–19, there were no workplace incidents that resulted in lost time due to injury. All employees who work from home at times complete an ergonomic checklist annually.

The annual audit of all workstations, offices and common areas was conducted, with only minor desk set-up adjustments required. No major hazards were identified. A full workstation ergonomics assessment was also conducted by an occupational therapist for nine employees. Six-monthly testing was conducted on residual current devices (RCD), with no fails recorded.

Our Health Initiative proactively supports employee good health. We arrange flu vaccinations, skin checks and health assessments.

We surveyed staff at the end of 2018 on their ideas and views on the QCA wellbeing initiatives, with feedback informing the 2019 Wellbeing Program. Based on the feedback, a resilience program has been launched, with employees having the opportunity to participate in a building resilience workshop, and/or a resilience program called Thrive (an online assessment and resilience coaching program).

Staff have the opportunity to participate in Pilates, yoga and core strength classes during their lunch break on a user pays basis. These classes are supported by building managers Dexus, and are open to all building tenants.

Industrial and employee relations framework

Quarterly all-staff meetings give employees the opportunity to raise and discuss workplace issues. In addition, the QCA intranet is a forum for employee feedback on any policies or procedures that affect their employment or employment conditions.

Early retirement, redundancy and retrenchment

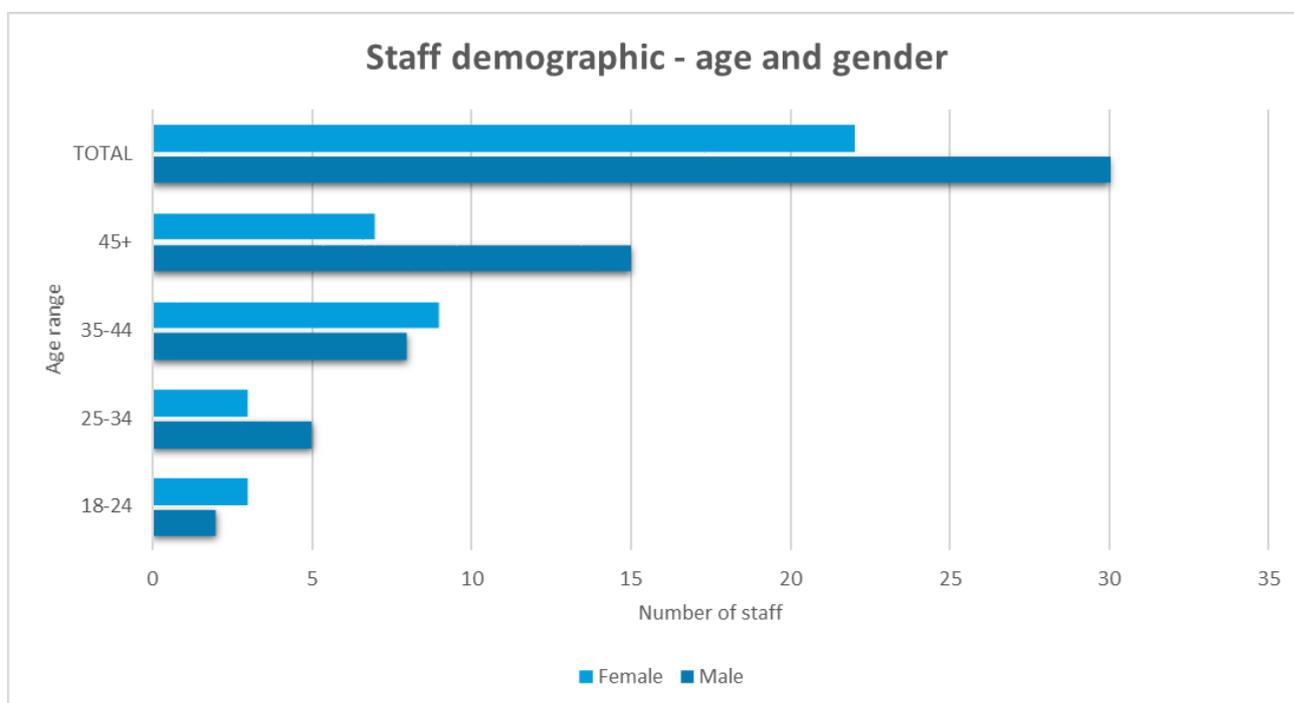
No redundancy, early retirement or retrenchment packages were paid during the period.

Workforce profile as at 30 June 2019

	Total employees	Male	Female	NESB*	A&TSI**
Chief Executive Officer	1	1	0	0	0
Directors	3	3	0	0	0
Technical employees	36	21	15	4	0
Support employees	12	5	7	2	0
Total	52	30	22	6	0

* Non-English speaking background (voluntary disclosure)

** Aboriginal and/or Torres Strait Islander (voluntary disclosure)



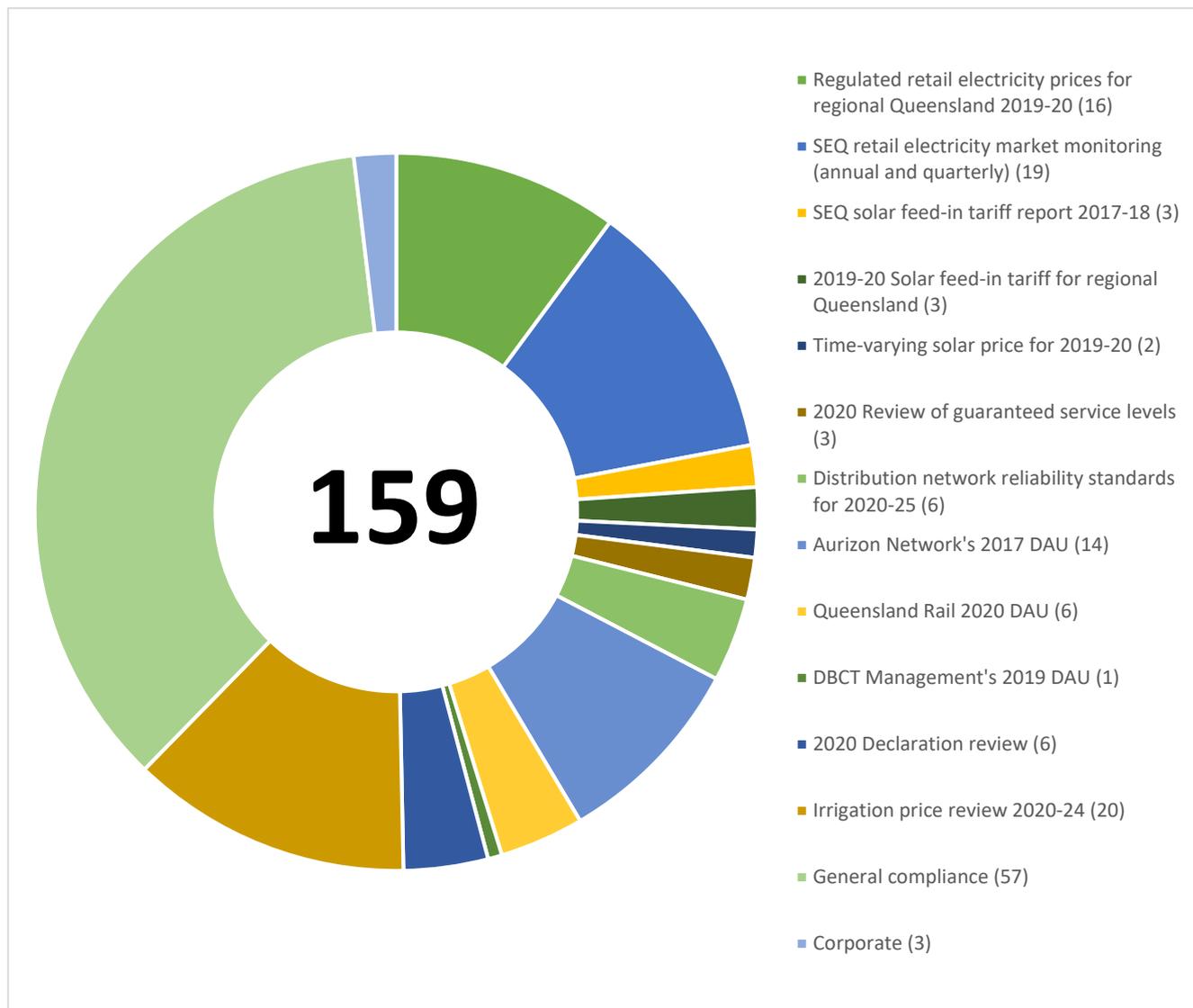
Flexible work arrangements as at 30 June 2019

	Employees with flexible arrangements	Part-time employees	Employees who purchased leave
Male	9	0	0
Female	13	6	2
NESB*	2	0	0
Technical staff	15	5	1
Support staff	7	1	1

* Non-English speaking background (voluntary disclosure).

Our publications

Total publications



Publications released and submissions received

	Submissions	Publications
Regulated retail electricity prices 2019–20	47	16
SEQ retail electricity market monitoring 2017–18	0	7
SEQ retail electricity market quarterly monitoring	0	12
SEQ solar feed-in tariff report 2017–18	0	3
2019-20 Solar feed-in tariff	0	3
Time-varying solar price for 2019–20	0	2
2020 Review of Guaranteed Service Levels	20	3
Review of electricity distribution network reliability standards for 2020–25	5	6
Aurizon Network—2017 DAU	3	14
Queensland Rail—2020 DAU	8	6
DBCT Management’s 2019 DAU	0	1
2020 Declaration reviews	44	6
Rural irrigation price review 2020–24	101	20
General compliance—Aurizon Network	50	31
General compliance—Queensland Rail	13	12
General compliance—DBCT Management	4	9
General compliance—Electricity	4	5
Corporate	0	3
Total	299	159

Publicly available publications

Publicly available documents are available on our website (www.qca.org.au). Hardcopies can also be obtained by contacting us.

Release date	Title
2019	
June	Origin Energy late payment fees—May remediation report
June	Distribution network reliability standards for 2020–25—final report
June	Distribution network reliability standards for 2020–25—fact sheet
June	Aurizon Network’s reference tariff variation DAAU—letter and decision notice
June	Aurizon Network’s 2019 costing manual—approval letter to Aurizon Network
June	DBCT annual revenue and reference tonnage 2018–19—approval letter to DBCT Management
June	DBCT Management’s 2019 DAU—statement of regulatory intent
May	Time-varying solar price for regional Queensland for 2019–20—advice to the Minister
May	Time-varying solar price for regional Queensland for 2019–20—letter to the Minister for Natural Resources, Mines and Energy
May	2019–20 Solar feed-in tariff for regional Queensland—report
May	2019–20 Solar feed-in tariff for regional Queensland—letter to the Minister for Natural Resources, Mines and Energy
May	2019–20 Solar feed-in tariff for regional Queensland—media release
May	2019–20 Regulated retail electricity prices for regional Queensland—final determination
May	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: residential customers
May	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: small business customers
May	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: transitional and obsolete tariffs
May	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: bill calculations
May	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: energy costs
May	2019–20 Regulated retail electricity prices for regional Queensland—media release
May	Aurizon Network’s 2015–16 and 2016–17 RAB roll-forwards—letter to approve RAB roll-forward
May	Aurizon Network’s UT5 DAAU—statement of regulatory intent
May	Aurizon Network’s 2017–18 capital expenditure claim—stakeholder notice: consultant report published
May	Final advice on 2019–20 advance digital metering costs
May	Aurizon Network’s 2019 electric traction DAAU—notice of investigation
May	Aurizon Network’s 2019 electric traction DAAU—notice of time periods
May	Origin Energy late payment fees—media release
May	Aurizon Network’s reference tariff variation DAAU—notice of investigation
May	Aurizon Network’s reference tariff variation DAAU—notice of time periods
May	Aurizon Network’s UT5 DAAU—notice of investigation
May	Aurizon Network’s UT5 DAAU—stakeholder notice 1: notice of time periods
May	Benefits of advanced digital meters—stakeholder notice: invitation for submissions
April	Distribution network reliability standards 2020–25—draft report
April	Distribution network reliability standards 2020–25—stakeholder notice 2: draft report
April	SEQ retail electricity market monitoring report: March quarter 2019—market monitoring report
April	SEQ retail electricity market monitoring report: March quarter 2019—dataset
April	SEQ retail electricity market monitoring report: March quarter 2019—media release
April	Queensland Rail 2020 DAU—draft decision

Release date	Title
April	Queensland Rail Toowoomba Range slope stabilisation project—decision notice
April	2020 Declaration review—QCA staff questions: submission post draft recommendations
March	Review of GSLs to apply to Energex and Ergon Energy from July 2020—final decision
March	SEQ retail electricity market monitoring report 2017–18—updated report
March	Queensland Rail’s 2017–18 capital expenditure claim—assessment approach
March	Queensland Rail’s 2017–18 capital expenditure claim—stakeholder notice: inviting submissions
March	Aurizon Network’s 2018 electric traction DAAU—decision notice
March	Aurizon Network’s 2018 electric traction DAAU—QCA response to the 2018 AT5 DAAU
March	Queensland Rail’s 2013–17 capital expenditure claim—letter and decision notice
February	Distribution network reliability standards for 2020–25—discussion paper
February	Distribution network reliability standards for 2020–25—stakeholder notice 1: discussion paper
February	2019–20 Regulated retail electricity prices for regional Queensland—draft determination
February	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: residential customers
February	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: small business customers
February	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: transitional and obsolete tariffs
February	2019–20 Regulated retail electricity prices for regional Queensland—fact sheet: energy costs
February	2019–20 Regulated retail electricity prices for regional Queensland—media release
February	Irrigation price review 2020–24—workshop presentation
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Bundaberg
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Burdekin-Haughton
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Central Brisbane River
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Cunnamulla
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Dawson Valley
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Gatton (Central Lockyer Valley and Lower Lockyer Valley)
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Lower Mary
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Mackay (Eton and Pioneer River)
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Mareeba-Dimbulah
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Pie Creek
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Monto (Callide Valley, Three Moon Creek and Upper Burnett)
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Murgon (Barker Barambah and Boyne River and Tarong)
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Nogoia Mackenzie and Emerald
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: Pittsworth (Macintyre Brook and Upper Condamine)
February	Irrigation price review 2020–24—issues arising from stakeholder consultation: St George
February	Initial advice on 2019–20 advanced digital meter costs
February	Aurizon Network’s RAB roll-forward—letter to Aurizon Network: establishment of rail and sleeper asset classes
February	Aurizon Network’s 2017 DAAU—stakeholder notice 23: approval of Aurizon Network’s amended 2017 draft access undertaking

Release date	Title
February	Queensland Rail 2018–19 costing manual—final decision
February	Aurizon Network’s 2017–18 capital expenditure claim—stakeholder notice: amended project sample list
February	2019–20 Regulated retail electricity prices for regional Queensland—stakeholder notice: consultation workshops
January	Aurizon Network’s 2017 DAU—stakeholder notice 22: extension of secondary undertaking notice period
January	SEQ retail electricity market monitoring report: December quarter 2018—market monitoring report
January	SEQ retail electricity market monitoring report: December quarter 2018—dataset
January	SEQ retail electricity market monitoring report: December quarter 2018—media release
2018	
December	2019–20 Regulated retail electricity prices for regional Queensland—interim consultation paper
December	2019–20 Regulated retail electricity prices for regional Queensland—stakeholder notice: ICP—invitation for submissions
December	2020 Declaration review—draft recommendations: Introduction, QCA’s approach to the access criteria and references
December	2020 Declaration review—draft recommendations: part A—the Aurizon Network service
December	2020 Declaration review—draft recommendations: part B—the Queensland Rail service
December	2020 Declaration review—draft recommendations: part C—the DBCT service
December	Queensland Rail’s Toowoomba Range slope stabilisation project—stakeholder notice
December	Aurizon Network’s 2017–18 revenue adjustment—final decision notice
December	Queensland Rail 2018–19 QCA levy proposal—final decision notice
December	Aurizon Network’s RAB roll-forward—stakeholder notice: assessment of proposed asset lives for rail and sleepers
December	Queensland Rail 2013–17 West Moreton capital expenditure claim—stakeholder notice: consultant report
December	Queensland Rail 2013–17 West Moreton capital expenditure claim—stakeholder notice
December	Aurizon Network’s 2017 DAU: final decision—final decision document
December	Aurizon Network’s 2017 DAU: final decision—QCA decision (regulatory process)
December	Aurizon Network’s 2017 DAU: final decision—weighted average cost of capital
December	Aurizon Network’s 2017 DAU: final decision—allowable revenues and reference tariffs
December	Aurizon Network’s 2017 DAU: final decision—fact sheet: maintenance and operating cost allowances
December	Aurizon Network’s 2017 DAU: final decision—fact sheet: draft access undertaking provisions
December	Aurizon Network’s 2017 DAU: final decision—stakeholder notice 21: QCA final decision
November	SEQ retail electricity market monitoring report—final report
November	SEQ retail electricity market monitoring report—media release
November	SEQ retail electricity market monitoring report—Q1 dataset
November	SEQ retail electricity market monitoring report—Q2 dataset
November	SEQ retail electricity market monitoring report—Q3 dataset
November	SEQ retail electricity market monitoring report—Q4 dataset
November	DBCT reference tonnage review event November 2018—approval letter to DBCTM
November	Aurizon Network’s 2017 DAU—stakeholder notice 20: further late information
November	Aurizon Network’s 2017–18 capital expenditure claim—stakeholder notice and sample list
November	Aurizon Network’s 2017–18 revenue adjustment—notice of draft decision
November	Aurizon Network’s 2017-18 revenue adjustment—draft decision
November	Aurizon Network’s October 2018 extension DAAU—final decision notice

Release date	Title
October	Aurizon Network's 2017 DAU—stakeholder notice 19: outcome of judicial review and progress to final decision
October	SEQ retail electricity market monitoring: September 2018 quarter—market monitoring report
October	SEQ retail electricity market monitoring: September 2018 quarter—dataset
October	SEQ retail electricity market monitoring: September 2018 quarter—media release
October	Irrigation price review 2020–24—consultation paper: apportionment of dam safety upgrade costs
October	Irrigation price review 2020–24—guidance note
October	Irrigation price review 2020–24—notice of investigation
October	Irrigation price review 2020–24—media release
October	Review of GSLs to apply to Energex and Ergon Energy from July 2020—draft decision
October	Review of GSLs to apply to Energex and Ergon Energy from July 2020—final consultation notice
October	SEQ solar feed-in tariff report 2017–18—monitoring report
October	SEQ solar feed-in tariff report 2017–18—dataset
October	SEQ solar feed-in tariff report 2017–18—media release
October	Queensland Rail 2020 DAU—stakeholder notice: collaborative submissions
October	Aurizon Network's 2017 DAU—stakeholder notice 18: late information
October	Aurizon Network's 2018–19 QCA levy—approval letter
October	Queensland Rail 2018–19 QCA levy—draft decision
October	Aurizon Network's October 2018 extension DAAU—notice of investigation
October	Aurizon Network's October 2018 extension DAAU—notice of time periods
October	QCA annual report 2017–18
September	Aurizon Network's March 2018 compliance notice: maintenance—stakeholder notice: UT4 compliance update
September	Queensland Rail 2020 DAU—stakeholder notice: staff topics for stakeholder comments
September	DBCT Management's trading supply chain business DAAU—final decision
September	DBCT Management's trading supply chain business DAAU—approval letter to DBCT Management
September	Aurizon Network's 2017–18 capital expenditure claim—assessment approach
September	Queensland Rail's 2018–19 QCA levy—stakeholder notice
August	Aurizon Network's 2017 DAU—stakeholder notice 17: progress to final decision
August	Performance framework for Queensland Competition Authority
August	QCA performance framework—media release: QCA implements a performance framework
August	DBCT Management's remediation allowance DAAU—draft decision
August	DBCT Management's remediation allowance DAAU—stakeholder notice: notice of time periods
August	Aurizon Network's 2017 DAU—stakeholder notice 16: published submissions and late information
August	Queensland Rail's 2020 DAU—stakeholder notice: notice of investigation and time periods
August	Aurizon Network's 2017 electric traction DAAU—final decision
August	Aurizon Network's 2017 electric traction DAAU—letter to Aurizon Network
July	SEQ retail electricity market monitoring: June 2018 quarter—report
July	SEQ retail electricity market monitoring: June 2018 quarter—dataset
July	SEQ retail electricity market monitoring: June 2018 quarter—media release
July	Queensland Rail's 2020 DAU—statement of regulatory intent
July	Queensland Rail's 2020 DAU—letter to Queensland Rail re lodgement extension
July	Aurizon Network's baseline capacity assessment report—decision

Release date	Title
July	Aurizon Network's baseline capacity assessment report—decision notice
July	DBCT Management's trading supply chain business DAAU—notice of investigation
July	DBCT Management's trading supply chain business DAAU—notice of time periods
July	Aurizon Network's 2016–17 capital expenditure claim—decision
July	Queensland Rail New Hope July 2018 review event—final decision
July	DBCT Management's applications: variation to an access agreement and amendment to the reference tariff—approval letter to DBCT Management
July	2020 Declaration review—stakeholder notice: access to confidential information given to the QCA for its declaration reviews

Financial statements

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Statement of comprehensive income

for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Income from Continuing Operations			
Fees	2	10,868,927	10,085,099
Government Grant	3	4,000,000	4,000,000
Other Income	4	1,684,969	869,879
Total Revenue		16,553,896	14,954,978
Gains/(Losses)			
Gain/(Loss) on sale of plant and equipment		(5,051)	-
Total Income from Continuing Operations		16,548,846	14,954,978
Expenses from Continuing Operations			
Members' Expenses		397,306	356,673
Employee Expenses	5	7,659,719	7,118,128
Supplies and Services	8	6,201,150	5,369,604
Depreciation and Amortisation	14	416,120	411,219
Fee Expense	9	1,306,314	291,652
Other Expenses	10	40,929	42,256
Total Expenses from Continuing Operations		16,021,537	13,589,532
Operating Result from Continuing Operations		527,308	1,365,446
Total Comprehensive Income		527,308	1,365,446

The accompanying notes form part of these financial statements

Statement of financial position

as at 30 June 2019

	Notes	2019 \$	2018 \$
Current Assets			
Cash and Cash Equivalents	11	15,517,557	16,078,138
Receivables	12	3,105,631	643,814
Other	13	326,584	301,213
Total Current Assets		18,949,772	17,023,166
Non Current Assets			
Plant and Equipment	14	1,551,886	1,917,271
Total Non Current Assets		1,551,886	1,917,271
Total Assets		20,501,658	18,940,436
Current Liabilities			
Payables	15	1,924,649	559,417
Accrued Employee Benefits	16	930,916	802,933
Lease Incentive Liability	17	330,000	330,000
Total Current Liabilities		3,185,565	1,692,351
Non Current Liabilities			
Accrued Employee Benefits	16	112,293	241,594
Lease Incentive Liability	17	825,000	1,155,000
Total Non Current Liabilities		937,293	1,396,594
Total Liabilities		4,122,858	3,088,944
Net Assets		16,378,800	15,851,492
Equity			
Contributed Equity		1,559,000	1,559,000
Accumulated Surplus		14,819,800	14,292,492
Total Equity		16,378,800	15,851,492

The accompanying notes form part of these financial statements

Statement of changes in equity

for the year ended 30 June 2019

	Accumulated Surplus		Contributed Equity	
	2019	2018	2019	2018
	\$	\$	\$	\$
Balance 1 July	14,292,492	12,927,046	1,559,000	1,559,000
Operating Result from Continuing Operations	527,308	1,365,446	-	-
Other Comprehensive Income	-	-	-	-
Balance 30 June	14,819,800	14,292,492	1,559,000	1,559,000

The accompanying notes form part of these financial statements

Statement of cash flows

for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
<i>Inflows:</i>			
Government Grant		4,000,000	4,000,000
Fees		8,380,099	12,497,874
Interest		401,917	337,592
Other		1,267,666	504,439
GST collected		862,353	1,317,242
GST input tax credits from ATO		667,297	717,180
		15,579,331	19,374,328
<i>Outflows:</i>			
Members' Expenses		(397,306)	(356,673)
Employee Expenses		(7,628,398)	(7,218,657)
Supplies and services		(6,538,531)	(6,946,141)
GST paid to Suppliers		(657,801)	(713,668)
GST remitted to ATO		(862,090)	(1,318,538)
		(16,084,126)	(16,553,678)
Net cash provided by / (used in) operating activities		(504,795)	2,820,650
Cash flows from investing activities			
<i>Inflows:</i>			
Proceeds from disposal of Plant and Equipment		1,285	-
<i>Outflows:</i>			
Payments for Plant and Equipment		(57,071)	-
Net cash provided by / (used in) investing activities		(55,785)	-
Net increase/(decrease) in cash and cash equivalents		(560,580)	2,820,650
Cash and cash equivalents at beginning of financial year		16,078,137	13,257,486
Cash and cash equivalents at end of financial year	11	15,517,556	16,078,137

The accompanying notes form part of these financial statements

Notes to and forming part of the financial statements

for the year ended 30 June 2019

Note 1:

Basis of Financial Statement Preparation

(a) General Information

These financial statements cover the Queensland Competition Authority (QCA). The QCA is a statutory body established under the *Queensland Competition Authority Act 1997* (QCA Act).

(b) Compliance with Prescribed Requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements and have been prepared on an accruals basis (with the exception of the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (RDR) and Interpretations. The QCA is a not-for-profit entity and the financial statements comply with the requirements of Australian Accounting Standards - RDR and Interpretations applicable to not-for-profit entities.

(c) The Reporting Entity

The QCA does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity of the QCA as an individual entity.

(d) Underlying Measurement Basis

The historical cost convention is used unless otherwise stated.

(e) Other Presentation Matters

Currency and Rounding

Amounts included in financial statements are in Australian dollars and are rounded to the nearest dollar.

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

Comparatives

Comparative information reflects the audited 2017–18 financial statements. Comparative information is restated where necessary to be consistent with disclosures in the current reporting period. There have been no material restatements during the year.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or when the QCA does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

(f) New Accounting Standards (including early adoption)

The QCA did not voluntarily change any of its accounting policies during 2018–19.

The QCA did not early adopt any new accounting pronouncements in the 2018–19 financial year.

AASB 9 Financial Instruments was applied for the first time in 2018–19. This standard introduces new categories for the classification of financial assets and new impairment rules that focuses on expected credit losses rather than incurred losses. The new standard does not impact on the classification of the QCA's financial assets (cash and receivables), which will continue to be measured at amortised cost. Adoption of AASB 9's new impairment model has not changed the receivables loss allowance – refer to Note 12. Comparative figures for 2017–18 have not been restated for AASB 9.

(g) Authorisation of Financial Statements for issue

The financial statements were authorised for issue by the Chairman and the Chief Executive Officer at the date of signing the Management Certificate.

Note 2:

Fees	2019	2018
	\$	\$
Fees	10,868,927	10,085,099
Total	10,868,927	10,085,099

Accounting Policy

Fee revenue is recognised in the accounting period in which the services are rendered and is in compliance with the requirements set out in the *Queensland Competition Authority Regulation 2018*.

The *Queensland Competition Authority Regulation 2018* only permits the QCA to charge fees for providing a service or performing a function that is no more than the reasonable cost of providing that service or performing that function. Regulatory fee income is calculated based on the associated costs of providing the related services.

Any regulatory fee income received in excess of the costs of providing the related services in a year is disclosed in the Statement of Financial Position as a payable and is recognised as an expense in the Statement of Comprehensive Income. All amounts payable are repaid in the next financial year.

Any cost of providing the regulated services in excess of the regulated fee income received in a year is disclosed in the Statement of Financial Position as a receivable and is recognised as revenue in the Statement of Comprehensive Income. All amounts receivable are invoiced in the subsequent financial year.

Note 3:

Government Grant	2019	2018
	\$	\$
Grant	4,000,000	4,000,000
Total	4,000,000	4,000,000

Accounting Policy

The Government grant is non-reciprocal in nature and is recognised when received or when an entitlement is established.

Note 4:

Other Income	2019	2018
	\$	\$
Interest	400,213	341,468
Sub-lease rent income	410,428	393,696
Legal fees recovered	759,849	-
Other	114,479	134,715
Total	1,684,969	869,879

Accounting Policy

Sub-lease rent income is derived from leasing floor space to the Queensland Productivity Commission and is classed as revenue and does not offset rent expense. The sub-lease has a term of three years with the option to renew for a period of two years. Rent is received monthly in arrears with an annual increase of 4.25%.

Lease income is recognised when the right to receive the revenue has been established.

Note 5:

Employee Expenses	2019	2018
	\$	\$
Employee Benefits		
Salaries	5,756,024	5,180,787
Annual Leave	473,449	502,538
Sick Leave	174,771	171,907
Employer Superannuation Contributions	603,013	574,820
Termination Benefits	-	11,753
Long Service Leave Central Scheme Levy	136,384	128,548
Employee Related Expenses		
Payroll tax	315,838	307,883
Staff Training Costs	106,974	161,323
Staff Recruitment Costs	38,217	22,832
Other Staff Expenses	40,121	39,295
Workers Compensation Premium	14,928	16,441
Total	7,659,719	7,118,128

The number of employees including both full time employees and part time employees measured on a full time equivalent basis at the end of each year is:

50.5	46.1
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Accounting Policy**Salaries and sick leave**

Salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As the QCA expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual and long service leave

Annual leave liabilities are accounted for as short term employee benefits and are presented as current liabilities as QCA does not have an unconditional right to defer payment for at least 12 months after the end of the reporting period. Annual leave liabilities are measured at the present value of the expected future payments to be made to employees. Expected future payments take into account anticipated future salaries and anticipated future leave requirements of staff. These are discounted at rates at the end of the reporting period on government bond rates at the end of the reporting period that coincide with the expected timing of estimated future payments.

All directly associated on-costs (for example employer superannuation contributions, payroll tax and worker's compensation insurance) are also recognised as liabilities.

The QCA joined the State Government's Long Service Leave Central Scheme (the Scheme) from 1 July 2002. Under the Scheme, a levy is made on the QCA to cover this expense. Amounts paid to employees for long service leave are claimed from the Scheme quarterly in arrears.

No provision for long service leave is recognised in the Financial Statements from 1 July 2002, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Staff Retention Scheme

Included in accrued employee benefits is the amount payable to staff under the QCA's staff retention scheme. Eligible staff are entitled to a payment following continuous service to the QCA after three and after six years. The amount recognised is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate estimates of future salaries, duration of current service and probability of employee turnover and are discounted at rates at the end of the reporting period on government bond rates. Upon measurement of obligations under the staff retention scheme, the net obligation is recognised in profit or loss as part of employee benefits expense.

Superannuation

Employees of the QCA may elect to be members of QSuper or any other complying superannuation fund.

Contributions to superannuation meet the minimum requirements of the *Superannuation Guarantee (Administration) Act 1992*. Contributions to employees' superannuation plans are charged as an expense as the contributions are paid or become payable.

Other Employee Related Expenses

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Note 6:

Key Executive Management Personnel and Remuneration Expenses

The key executive management personnel that had authority and responsibility for planning, directing and controlling the activities of the QCA during 2018–19 are detailed below.

Position	Responsibilities	Contract Classification and Appointment Authority
Chairman	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. The Chairman is also responsible for the collegiate functioning of the members and Ministerial liaison.	Governor in Council/ <i>QCA Act 1997</i>
Deputy Chairman	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act. In the absence of the Chairman, the Deputy chairman assumes the Chairman's responsibilities.	Governor in Council/ <i>QCA Act 1997</i>
Member	Members are collectively responsible for the Authority's duties and responsibilities, in accordance with the QCA Act.	Governor in Council/ <i>QCA Act 1997</i>
Chief Executive	The Chief Executive is responsible for management of the Authority in accordance with directions of the Members and the QCA Act.	Individual Contract issued by the Authority

The remuneration of Members is set by the Governor in Council. The remuneration of the Chief Executive is set by Members of the Authority and detailed in an employment contract.

Total Remuneration comprises:

- Short term benefits which include:
 - Base—consisting of base salary, allowances (nil) and leave entitlements paid and provided for the entire year
 - Performance payment—based on a set of key performance indicators set by the Members at the beginning of each financial year that focus on the delivery of work plan and organisational goals
 - Non-monetary benefits—consisting of other employment benefits together with fringe benefits tax applicable to the benefit
- Long term employee benefits consisting of payments towards long service leave entitlements
- Post employment benefits consisting of superannuation contributions
- Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment.

The following disclosures focus on the expenses incurred by QCA during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

1 July 2018—30 June 2019

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	\$	Non-Monetary Benefits \$				
Chairman (1/7/18-30/6/19)	136,517	-	-	12,969	-	149,486
Deputy Chairman (1/7/18-30/6/19)	68,259	-	-	6,485	-	74,743
Member (1/7/18-30/6/19)	68,259	-	-	6,485	-	74,743
Member (1/1/19-30/6/19)	32,554	-	-	3,093	-	35,647
Chief Executive (1/7/18-30/6/19)	397,683	-	8,351	20,461	-	426,496
Total Remuneration	703,272	-	8,351	49,492	-	761,115

1 July 2017—30 June 2018

Position	Short Term Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	\$	Non-Monetary Benefits \$				
Chairman (1/7/17-4/6/18)	129,166	-	-	12,270	-	141,437
Chairman (5/6/18-30/6/18)	7,351	-	-	698	-	8,049
Deputy Chairman (1/7/17-4/6/18)	65,633	-	-	6,235	-	71,869
Deputy Chairman (5/6/18-30/6/18)	3,675	-	-	349	-	4,025
Member (1/7/17-4/6/18)	64,584	-	-	6,135	-	70,719
Member (5/6/18-30/6/18)	3,675	-	-	349	-	4,025
Chief Executive (1/7/17-30/6/18)	378,215	-	7,943	19,980	-	406,138
Total Remuneration	652,300	-	7,943	46,018	-	706,260

Performance Payments

The 2017–18 remuneration package for the Chief Executive included a potential performance payment of up to a maximum of \$19,987 for successful completion of Board set key performance indicators. The assessment process for the performance payment yielded a bonus of \$9,994, which was paid in the 2018–19 financial year.

The 2018–19 remuneration package for the Chief Executive includes a potential performance payment of up to a maximum of \$20,487 for successful completion of Board set key performance indicators. The assessment process for calculating this years' performance payment has not commenced.

Note 7:

Related Party Transactions

There were no related party transactions with the QCA's key management personnel in 2017–18 or 2018–19.

Note 8:

Supplies and Services	2019	2018
	\$	\$
Specialist Services	3,586,393	2,817,399
Occupancy Costs (including operating lease rentals)	2,040,609	1,905,816
Information Technology Costs	267,964	321,132
Travel and Accommodation Costs	28,017	28,704
Bank Fees and Charges	24,732	17,217
General Administration Costs	126,319	147,584
Other	127,117	131,751
Total	6,201,150	5,369,604

Accounting Policy

Expenses for supplies and services are recognised upon receipt of the goods or services ordered and are measured at the nominal amount.

Note 9:

Fee Expense	2019	2018
	\$	\$
Fee Expense*	1,306,314	291,652
Total	1,306,314	291,652

*Fee Expense represents regulated fees received in excess of reasonable costs that will be repaid in the next financial year.

Note 10:

Other Expenses	2019	2018
	\$	\$
External Audit Fees*	25,320	24,725
Insurance Premiums	15,609	17,531
Total	40,929	42,256

*There are no non-audit services included in this amount.

Note 11:

Cash and Cash Equivalents	2019	2018
	\$	\$
Cash at Bank	2,154,206	3,046,528
Cash on Hand	500	500
Cash in QTC Cash Fund	13,362,851	13,031,110
Total	15,517,557	16,078,138

Accounting Policy

Cash assets include cash at bank, cash on hand and cash with Queensland Treasury Corporation (QTC). All cash amounts are at call and can be redeemed in under one working day at their face value. The QCA does not have any borrowing or overdraft facilities.

Note 12:

Receivables	2019	2018
	\$	\$
Trade Debtors	65,177	48,087
Other Receivables	47,277	81,619
Accrued Fee Income*	2,929,927	441,099
Sub Total	3,042,381	570,805
GST Receivable	67,810	77,306
GST Payable	(4,559)	(4,297)
Sub Total	63,251	73,009
Total Receivables	3,105,631	643,814

Accounting Policy

Trade Debtors are recognised at the nominal amounts due, with settlement generally being required within 30 days from invoice.

The collectability of receivables is assessed annually with provision being made for expected credit losses.

The receivable loss allowance calculation, based on the probability and timing of potential defaults has been assessed at zero for 2018–19, taking into account forecasts of future economic conditions as well as past events. There have been no bad debts.

*Accrued Fee Income represents reasonable costs in excess of regulatory fees received that will be invoiced in the next financial year.

Note 13:

Other	2019	2018
	\$	\$
Prepayments	326,584	301,213
Total	326,584	301,213

Accounting Policy

Prepayments are for goods or services that have been paid for and the related benefits are to be received in future financial periods.

Note 14:

Plant and Equipment and Depreciation Expense	2019	2018
	\$	\$
(i) Plant and Equipment		
Plant and Equipment: At Cost	3,934,407	3,908,714
Less: Accumulated Depreciation	(2,382,521)	(1,991,443)
Total	1,551,886	1,917,271
 (ii) Plant and Equipment Reconciliation		
	Plant and Equipment	Total
	\$	\$
Carrying amount at 1 July 2018	1,917,271	1,917,271
Acquisitions (including upgrades)	57,071	57,071
Disposals	(6,336)	(6,336)
Depreciation Expense	(416,120)	(416,120)
Carrying amount at 30 June 2019	1,551,886	1,551,886

Accounting Policy

The Queensland Government's policy, titled Non-Current Asset Policies for the Queensland Public Sector, establishes prescribed asset measurement methods and recognition thresholds. In accordance with this policy, the assets of the QCA are measured at depreciated cost. On acquisition, assets are valued at cost including all expenses necessary to have the asset ready for use. Items of plant and equipment with a cost value equal to or in excess of \$5,000 are recognised for financial purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

The carrying amounts for plant and equipment at cost approximate their fair value.

Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the QCA determines the asset's recoverable amount. Any amount by which the asset's carrying value exceeds the recoverable amount is recorded as an impairment loss and recognised immediately in the Statement of Comprehensive Income.

Depreciation Expense

Depreciation of plant and equipment is calculated on a straight line basis so as to allocate the net cost of each asset, less its estimated residual value, progressively over its estimated useful life to the QCA. Fixtures and fittings are depreciated over the lesser of the unexpired period of the QCA's building lease and the estimated useful life, while other plant and equipment is depreciated over the estimated useful life.

The estimation of the useful lives of assets is based on historical experience with similar assets and asset turnover practices of the QCA. Reassessments of useful life estimates are implemented prospectively.

In general, the following depreciation rate ranges have been used:

- Office Equipment 10% to 33%
- Computer Equipment: 20% to 33%
- Fixtures and Fittings: 10% to 12%
- Leasehold Improvements: 10% to 12%

Note 15:

Payables	2019	2018
	\$	\$
Accrued Expenses	370,368	182,858
Trade Creditors	222,647	60,182
Audit Fees Payable	25,320	24,725
Accrued Fee Expenses*	1,306,314	291,652
Total	1,924,649	559,417

*Accrued Fee Expenses represents reasonable costs less than the regulatory fees received that will be repaid in the next financial year.

Accounting Policy

Trade Creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount; i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Trade creditors are generally unsecured, not subject to interest charges and are normally settled within agreed business terms.

Note 16:

Accrued Employee Benefits	2019	2018
	\$	\$
<i>Current</i>		
Annual Leave	561,562	566,987
Staff Retention Scheme	226,512	110,446
Salaries Payable	142,842	125,500
Total	930,916	802,933
<i>Non-Current</i>		
Staff Retention Scheme	112,293	241,594
Total	112,293	241,594

Accounting Policy

Accounting policies for employee benefit liabilities are disclosed in note 5.

Note 17:

Other Liabilities	2019	2018
	\$	\$
<i>Current</i>		
Lease Incentive	330,000	330,000
Total	330,000	330,000
<i>Non-Current</i>		
Lease Incentive	825,000	1,155,000
Total	825,000	1,155,000

Accounting Policy

Lease incentives represent fixtures and fittings provided under the lease of the QCA's office premises. Lease incentives are offset against rent paid over the term of the lease.

The lease incentive received is recognised as an integral part of the rent expense, over the term of the lease.

Note 18:**Financial Instruments****Recognition**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the QCA becomes a party to the contractual provisions of the instrument.

Classification

The QCA's only financial assets and liabilities are as follows and they are measured at:

- Cash and cash equivalents—held at amortised cost
- Receivables—held at amortised cost
- Payables—held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The QCA does not enter into, or trade with, such instruments for speculative purposes, nor for hedging.

Note 19:

Commitments	2019	2018
	\$	\$
<u>Non-Cancellable operating leases</u>		
Future operating lease rentals not provided for in the financial statements are payable as follows:		
Not later than one year (inclusive of GST)	2,410,937	2,306,198
Later than one year but not later than five years (inclusive of GST)	6,179,089	8,590,026
Later than five years (inclusive of GST)	-	-
Total commitments	8,590,026	10,896,224

The offices occupied by the QCA are subject to an operating lease which expires on 22 November 2022. The lease is calculated with annual increases of 4.25%. There are no options beyond the expiry date.

	2019	2018
	\$	\$
Future sub-lease rentals not recognised in the financial statements are receivable as follows:		
Not later than one year (inclusive of GST)	532,973	509,848
Later than one year but not later than five years (inclusive of GST)	699,707	1,232,680
Later than five years (inclusive of GST)	-	-
Total commitments	1,232,680	1,742,528

Part of the offices occupied by the QCA are subject to a sub-lease with the Queensland Productivity Commission which expires on 30 September 2021. The lease is calculated with annual increases of 4.25%. There are no options beyond the expiry date.

Accounting Policy

Operating leases are those where the risks and benefits of ownership are retained by the lessor.

The QCA does not have any finance leases where risks and benefits are transferred to the lessee.

A bank guarantee in favour of the Landlord for \$970,068 being equivalent to six months rent has been issued. This is enforceable should the QCA default on its lease commitments.

From 1 July 2019, the QCA has adopted the new Australian Accounting Standard AASB 16 Leases. Under the new accounting standard, the QCA recognised a Right of Use Asset of \$5,110,271 and a Lease Liability of \$7,605,310. The adoption of the new standard also resulted in a write back of Current Lease Incentive of \$330,000 and Non-Current Lease Incentive of \$825,000 and a reduction in Accumulated Surpluses of \$1,340,039.

In future years, any lease instalments paid will be split between interest expense and a reduction in the Lease Liability. The Right of Use Asset will be amortised over the term of the lease.

Note 20:**Other information**Taxation

The activities of the QCA are exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). Input tax credits receivable and GST payable from/to the Australian Taxation Office have been recognised in the Statement of Financial Position.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Key Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of accounting estimates, assumptions, and management judgements that have the potential to cause a material impact on the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying

assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are included in the calculation of the following financial statement notes:

- Accrued Fee Income—note 12
- Depreciation—note 14
- Accrued Expenses—note 15
- Accrued Fee Expenses—note 15
- Accrued Employee Benefits—note 16

Certificate of Queensland Competition Authority

These general purpose financial statements have been prepared pursuant to s.62(1)(a) of the *Financial Accountability Act 2009* (the Act), s. 43 of the Financial and Performance Management Standard 2009, and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Competition Authority for the financial year ended 30 June 2018 and of the financial position of the Authority as at the end of that year; and

We acknowledge responsibility under s.8 and s.15 of the Financial and Performance Management Standard 2009 for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Chairman

F. Menezes

PhD U of I

15 August 2019



Chief Executive Officer

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BEcon (Hons) BA

15 August 2019



INDEPENDENT AUDITOR'S REPORT

To the Members of Queensland Competition Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Competition Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2019, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards – Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the certificate given by the Chairman and the Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Members are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as the Members determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Members are also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.



Melissa Fletcher
as delegate of the Auditor-General

20 August 2019

Queensland Audit Office
Brisbane

Glossary

Term	Definition
ACCC	Australian Competition and Consumer Commission
AEMC	Australian Energy Market Commission
Code	Electricity Distribution Network Code
QCCN	Central Queensland coal network
DAAU	Draft amending access undertaking
DAU	Draft access undertaking
DBCT	Dalrymple Bay Coal Terminal
DBCT PL	DBCT Pty Ltd
Electricity Act	<i>Electricity Act 1994</i>
GSL	Guaranteed service level
IPART	Independent Pricing and Regulatory Tribunal
IUN	Initial undertaking notice
KPI	Key performance indicator
MSS	Minimum service standard
NESB	Non-English speaking background
Notified prices	Regulated retail electricity prices
SEQ	South east Queensland
QCA	Queensland Competition Authority
QCA Act	<i>Queensland Competition Authority Act 1997</i>
UT5	Aurizon Network's 2017 access undertaking
WSS	Water supply scheme

Appendices

Queensland Competition Authority

File Ref: 1378698

13 September 2019

The Hon Jackie Trad MP
Deputy Premier, Treasurer and
Minister for Aboriginal and Torres Strait Islander Partnerships
1 William Street
Brisbane Qld 4000

Dear Deputy Premier

Queensland Competition Authority annual report 2018–19

I am pleased to submit for presentation to the Parliament the annual report 2018–19 and financial statements for the Queensland Competition Authority.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009, and
- the detailed requirements set out in the annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is provided at pages 61–62 of this annual report.

Yours sincerely



Professor Flavio Menezes
Chair

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Appendix B: Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	60
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	I 58
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	63
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 9.3	63
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	Back of cover page
	<ul style="list-style-type: none"> Information Licensing 	QGEA – Information Licensing ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1	2–3
	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.2, 31 and 32	N/A
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	2–3, 12–29
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	18–29
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community 	ARRs – section 11.1	12–29
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	12–29
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	9–10, 12–29
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	12–36
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	18–19, 39–57
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	7
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	4–7
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	N/A
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	Public Sector Ethics Act 1994 ARRs – section 13.4	18
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5	26
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	18
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	N/A
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	N/A

Summary of requirement		Basis for requirement	Annual report reference
	• External scrutiny	ARRs – section 14.4	N/A
	• Information systems and recordkeeping	ARRs – section 14.5	18
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	26–29
	• Early retirement, redundancy and retrenchment	Directive No. 04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	27
Open Data	• Statement advising publication of information	ARRs – section 16	63
	• Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 33.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 33.3	N/A
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	54
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	55–57

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

Annual report access

Additional copies

A copy of this report can be obtained by contacting us.

email annualreport@qca.org.au

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This report is available in PDF format on our website: qca.org.au/About-us

Open data

Further information on the following is available through the Queensland Government's Open Data website, <https://data.qld.gov.au>:

- Consultancies 2018–19
- Overseas travel 2018–19

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Translating and interpreting assistance

We are committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.

If you have difficulty in understanding the annual report, you can contact us on (07) 3222 0555 and we will arrange an interpreter to assist you.



Feedback

Readers are encouraged to provide feedback on the contents or structure of this report by contacting us at: annualreport@qca.org.au

