
Impact Analysis Statement

Summary IAS

Details

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| Lead department | Department of Energy and Public Works (DEPW) |
| Name of the proposal | Amendments to the <i>National Energy and Retail Regulation (Queensland) 2014</i> |
| Submission type | Summary IAS |
| Title of related legislative or regulatory instrument | <i>National Energy Retail Law (Queensland) Amendment Regulation 2023</i> |
| Date of issue | October 2023 |

What is the nature, size and scope of the problem? What are the objectives of government action?

The Australian Energy Regulator (AER) has made a decision that requires all retailers to include the following statements on the front page of customers' electricity bills: "*The Australian Government and your state or Territory Government are supporting customers to reduce bills Check the understand your bill section to see if you have received a rebate or concession. More information at energy.gov.au*".

The AER's bill message makes no reference to the additional bill relief being provided by the Queensland Government and directs consumers to the Australian Government's energy website which is focused on the national Energy Bill Relief Fund. This could cause confusion for some customers resulting in an increase in customer enquiries and complaints to DEPW and the Energy and Water Ombudsman Queensland.

The Queensland Government has undertaken a significant financial action to minimise the impacts recent events are having on Queenslanders' electricity bills. As a result, Queensland customers will receive significantly more bill relief than what was originally proposed under the national Energy Bill Relief Fund. It is important that this information is front and centre on any bill information being presented to customers so that the proactive role of the Queensland Government can be fully realised and understood by Queensland electricity customers.

The objective of the amending regulation is to enable Queensland specific electricity bill messaging (i.e. messaging relating to cost of living relief measures) to be applied as Tier 1 information (i.e. to appear on the front page of residential customer electricity bills) as far as practicable by electricity retailers operating in Queensland.

What options were considered?

Given the regulatory nature of the AER's decision to require all retailers to include the statement above there is no other option but to amend the *National Energy and Retail Regulation (Queensland) Regulation 2014* to enable retailers to use as far as practicable Queensland specific wording instead. Without regulatory intervention retailers may find themselves facing compliance action if they were to use the Queensland specific wording.


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| What are the impacts? |
| <p>There is expected to be minimal material impact on retailers as a result of the proposed amending regulation. Successful implementation will balance the level of fixed instruction from the Queensland Government against the practicalities of retailers' ability to deliver differentiated bill messaging given the limitations of their billing systems.</p> <p>No cost to the Queensland Government is expected.</p> |
| Who was consulted? |
| <p>The Department of the Premier and Cabinet and Queensland Treasury have been consulted and support the proposed amendments.</p> <p>The AER and electricity retailers operating in Queensland have been consulted and have raised no objection to the proposed amendments.</p> |
| What is the recommended option and why? |
| <p>To amend the <i>National Energy and Retail Regulation (Queensland) 2014</i> to enable electricity retailers operating in Queensland to use Queensland specific wording during 2023-24 where possible without the risk of being subject to compliance action by the AER.</p> |

Impact assessment

All proposals – complete:

| | First full year | First 10 years** |
|--|------------------------|-------------------------------------|
| Direct costs – Compliance costs | Zero costs expected | N/A – regulation applies for 1 year |
| Direct costs – Government costs | Zero costs expected | N/A – regulation applies for 1 year |

Signed



Paul Martyn
 Director-General
 Department of Energy and Public Works
 Date: 12 / 10 / 23



Mick de Brenni MP
 Minister for Energy, Renewables and Hydrogen and
 Minister for Public Works and Procurement
 Date: 16 / 10 / 23