

# Impact Analysis Statement

## Summary IAS

### Details

<b>Lead department</b>	Department of Energy and Climate
<b>Name of the proposal</b>	Amendments to the <i>National Energy and Retail Regulation (Queensland) 2014</i>
<b>Submission type</b>	Summary IAS
<b>Title of related legislative or regulatory instrument</b>	<i>National Energy Retail Law (Queensland) Amendment Regulation 2024</i>
<b>Date of issue</b>	June 2024

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

The Queensland Government has undertaken significant financial action to minimise the impacts recent events are having on Queenslanders' electricity bills. As a result, Queensland customers will receive significant bill relief. 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?**

Under the Australian Energy Regulator's (AER) Better Bills Guideline (made under Rule 25A of the National Energy Retail Rules - NERR) retailers are provided binding instructions and guidance on preparing and issuing bills to make it easier for small customers to understand billing information.

Under the Guideline, electricity bills have three categories of information:

- Tier 1 information – essential information (i.e. must appear on the front page of a bill).
- Tier 2 information – additional important and supporting information.
- Tier 3 information – other information which must appear last.

Rebate, or cost of living relief, information is normally included as part of Tier 2 information.

Without regulatory intervention retailers may find themselves facing AER compliance action if they were to use the Queensland specific wording.

#### **What are the impacts?**

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.

No cost to the Queensland Government is expected.

Who was consulted?
<p>The Department of the Premier and Cabinet and Queensland Treasury have been consulted and support the proposed amendments.</p> <p>Electricity retailers operating in Queensland have been consulted and have raised no objection to the proposed amendments.</p> <p>The Commonwealth Department of Climate Change, Energy, Environment and Water 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 2024-25 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**
<b>Direct costs – Compliance costs</b>	Zero costs expected	N/A – regulation applies for 1 year
<b>Direct costs – Government costs</b>	Zero costs expected	N/A regulation applies for 1 year

**Signed**

Paul Martyn  
 Director-General  
 Department of Energy and Climate  
 Date: 13/06/2024

Mick de Brenni MP  
 Minister for Energy and Clean Economy Jobs  
 Date: 14/06/2024