

Board Communique: September 2018

The Energy Consumers Australia Board met in Bundaberg on 12 & 13 September 2018.

The Board appreciated the invitation extended by Dale Holliss, of Bundaberg Regional Irrigators Group, who is also a member of the Board's Reference Committee, to hold a Stakeholder Forum and Board meeting in Bundaberg.

Board Stakeholder Forum, 12 September 2018

The warm welcome from the Deputy Mayor, Cr Bill Trevor was followed by presentations from:

- Rosemary Sinclair, CEO, Energy Consumers Australia, who spoke about the issues in energy markets, and the importance of energy affordability, individualised energy services and an optimised system for comfortable homes and competitive businesses;
- Dr Georgina Davis, Queensland Farmers Federation, who spoke about the “wicked problems” facing the agricultural sector in Queensland due to rising energy costs, and despite improvements in efficiency;
- Lynne Gallagher, Director Research, Energy Consumers Australia, who spoke about the opportunities to improve affordability for households and small business, including the potential 20-25% reductions to flow from implementation of the Australian Competition and Consumer Commission's Retail Electricity Pricing Inquiry recommendations that are now with the Energy Council.

The Board heard from stakeholders in the discussion that followed about the reality of price rises for businesses in regional Queensland. These brought home the messages the Board heard earlier in the day including from one local business, who is a significant employer in Bundaberg. This business has experienced increases in electricity costs in recent years from 15 cents a kilowatt hour to 28 cents, and now the possibility of a further increase to 48 cents. We heard that the community knows that rising electricity costs make export businesses uncompetitive, which has knock on effects in job losses.

Dale Holliss explained that there are now real opportunities to go off grid, using both solar systems and diesel generation. This is being demonstrated first hand through a \$900,000 project funded by the Australian Renewable Energy Agency ([details available here](#)). We heard that while farmers and irrigators explore going off-grid they are looking across the paddock at the falling use of a valuable shared asset – the grid. The community says that this is the wrong answer.

Dale Holliss called for a sensible price that meets the needs of business, while remaining on the grid – a ceiling of 8 cents a kilowatt for the electricity used plus a ceiling of 8 cents for the use of the poles and wires.

Board Meeting, 13 September 2018

The Board reflected on what it had heard from the Bundaberg community and is keen to work with Energy Queensland to find pricing strategies that work for the export businesses and the community and keep the grid as a sustainable shared asset. Energy Consumers Australia has been exploring new approaches to tariff design based on consumer feedback and research funded under the Grants Program and looks forward to continuing policy and strategy work with policy makers, regulators, network businesses and the community to achieve comfortable homes, competitive businesses and a sustainable grid.

The Board dealt with several corporate matters including approving the 2017/18 Financial Statements, the 2017/18 Annual Report and the 2019/20 Business Plan and Budget.

Next Meeting

The next Board meeting will be held in Hobart on 11 October 2018.