



## Minister for Energy and Clean Economy Jobs

Our Ref: MN02386-2024

29 February 2024

Ms Clare Savage  
Chair  
Australian Energy Regulator  
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CANBERRA ACT 2601  
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Dear Ms Savage

I am writing to you regarding the Australian Energy Regulators (AERs) upcoming determination for the 2024-25 Default Market Offer (DMO) in the South East Queensland electricity market.

I note that AER anticipates the DMO 6 draft determination will be released in mid-late March 2024 for consultation, with the final determination published in late-May 2024 to come into effect on 1 July 2024. Further, I understand that the AER is considering updates to its methodology in calculating the DMO to ensure it meets its objectives. I also understand that the Department of Energy and Climate have provided informal feedback to the AER's recent consultation paper on this matter.

The Queensland Government has a long-standing history in supporting Queenslanders and providing electricity bill relief rising cost of living pressures, and has delivered year-on-year targeted energy bill relief assistance since 2018. In 2023-24, around 2.1 million households and 205,000 small businesses in Queensland are paying among the lowest averaged rates for electricity in the country, a direct outcome of the Queensland Government's Cost of Living Rebate (CoLR).

The 2023-24 CoLR is more than three times the size of the previous year's rebate, and in some cases is partly funded by the Australian Government through the Energy Bill Relief Fund. Specifically, eligible vulnerable households receive \$700 in CoLR payments plus \$372 under the Queensland Electricity Rebate credited to their electricity bills, totalling up to \$1,072 for 2023-24. All other eligible households receive \$550 and small business receive \$650 in CoLR payments for the year.

Although yet to be determined, it is anticipated that energy bill relief assistance measures will continue in 2024-25 year, including for those who need it most.

I recognise the DMO process is complex and ultimately determines a reference price. However, I request that in describing the DMO in the draft and final decisions, the AER gives consideration to jurisdictional bill relief assistance and notes that the effective cost to customers could be materially lower. Further, given Queensland's history of providing electricity bill relief, I request that the AER acknowledge this history and that the effective price to Queensland customers identified as part of DMO 6 would be less where they receive bill relief from the Queensland Government.

If you require further information or assistance with this matter, Dr Liam Byrnes, Executive Director, Energy, Department of Energy and Climate can be contacted on 0499 971 691 or by email [liam.byrnes@epw.qld.gov.au](mailto:liam.byrnes@epw.qld.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mick de Brenni', with a long horizontal stroke extending to the right.

Mick de Brenni MP  
**Minister for Energy and Clean Economy Jobs**