15/05/2024

Mr Gavin Fox General Manager <u>energyqueensland2025@aer.gov.au</u>

Dear Mr Fox

The Southeast Queensland Climate Resilient Alliance (SEQCRA) welcomes the opportunity to respond to the AER Issues Paper – Ergon Energy and Energex electricity determination 2025 – 30. This response will specifically address the AER's Issue Paper Question 17 "Do you consider there are any aspects of Ergon or Energex's proposed TSS that require adjustment?"

Energex Proposed Network Storage Tariff

SEQCRA expresses concern over the anticipated adverse impact of the proposed Energex Dynamic Network Storage Tariffs on investment prospects for community and/or neighbourhood batteries across Queensland. The combination of high daily costs and the uncertainty surrounding any potential rewards during critical peak periods, at Energex's discretion, poses significant risk, despite the Federal Government's \$224.3M grant and the Australian Renewable Energy Agency's \$120M grant funding availability.

With Energex's tariff proposal lacking crucial details regarding potential rewards during critical events, the operational costs of community batteries remain indeterminable.

SEQCRA believes that high charges are likely to disincentivise future proposals for community and/or neighbourhood batteries. This we believe, which creates obstacles for the overall energy transition and goal of lowering emissions across Queensland as outlined in numerous State and Federal Government policy statements and plans.

We are aware that the only non-Distribution Network Service Providers (DNSP) in Queensland to receive funding under the Federal Government's 'Community Batteries for Household Solar' program is in Noosa Shire. It is our understanding that Noosa Council views this project as a demonstration to showcase how a community battery can operate with a benefit to the local community.

We therefore respectfully submit that *Energex's proposed Tariff Structure Statement (TSS)* does indeed require adjustment, particularly in relation to the proposed Network Tariff Pricing for community batteries to ensure an equitable transition to Queensland's clean energy future.

Thank you for the opportunity to provide input into the AER Issues Paper.

Yours Sincerely,

Kaye Cavanagh (on behalf of the SEQCRA & it's members) General Manager (Environment & Sustainability) Ipswich City Council

Member Councils participating in this submission:

Brisbane City Council, City of Gold Coast, City of Moreton Bay, Ipswich City Council, Lockyer Valley Regional Council & Noosa Shire Council.