



Part of Energy Queensland

20 December 2024

Mr Paul Harrigan
Australian Energy Regulator
By email: [REDACTED]

Dear Mr Harrigan

Amendment to Energex's and Ergon Energy's revised 2025-30 Tariff Structure Statement relating to residential and small business tariff assignment

Energex and Ergon Energy propose the following amendments to our revised 2025-30 Tariff Structure Statements (TSS):

- Changes to assignment arrangements for Energex and Ergon residential customers from 1 July 2025.
- Changes to assignment arrangements for Energex and Ergon small business customers from 1 July 2025.

The revised TSS for Energex and Ergon Energy includes the following tariff assignment arrangements for residential and small business customers:

- Customers assigned to the Transitional Demand tariffs as at 30 June 2025 remain on those tariffs (with the tariff name changed to TOU Demand and Energy tariff).
- Customers assigned to the optional Demand tariffs as at 30 June 2025 are reassigned to the TOU Demand and Energy tariffs.
- From 1 July 2025, all new customers are assigned to the new default TOU Energy tariffs unless they request assignment to one of the optional tariffs.
- Customers subject to a basic meter upgrade from 1 July 2025 are assigned to the new default TOU Energy tariff subject to the transition period.
- Customers assigned to the legacy TOU Energy tariffs are reassigned to the default TOU Energy tariffs.

We propose a further amendment to the assignment arrangements which would transition all residential and small business customers assigned to the TOU Demand and Energy tariffs as at 1 July 2025, to the new default TOU Energy tariffs over a period of 6 months from 1 July 2025. Customers assigned to the optional Demand tariffs as at 30 June 2025 would also be reassigned to the TOU Energy tariffs on 1 July 2025.

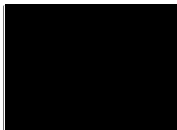
The amendment would align assignment arrangements with the AER's Draft Decision and, importantly, avoid significant implementation risk associated with imposed assignment arrangements at the Final decision that we had not planned for.

Due to current market and system limitations on the volume of reassignments that can be completed daily, our amendment includes a 6 month transition period for reassigning customers to the TOU Energy tariff (commencing 1 July 2025). The AER's Draft Decision acknowledged that the reassignment of approximately 1.1 million residential and small business customers to a new default tariff may not be possible in one move and supported a staged approach to reassigning customers.¹

Changes required in the TSS to give effect to the amendment is included in the Attachment below.

If you require any additional information in relation to these proposed amendments please contact Brendon Crown, A/Executive General Manager Regulation on [REDACTED].

Yours sincerely



Peter Scott
Chief Executive Officer
Energy Queensland

¹ AER Draft Decision – Ergon Energy and Energex distribution determination 2025-30 – Attachment 19, p30

Attachment 1: Impact of proposed amendments to Tariff Structure Statements

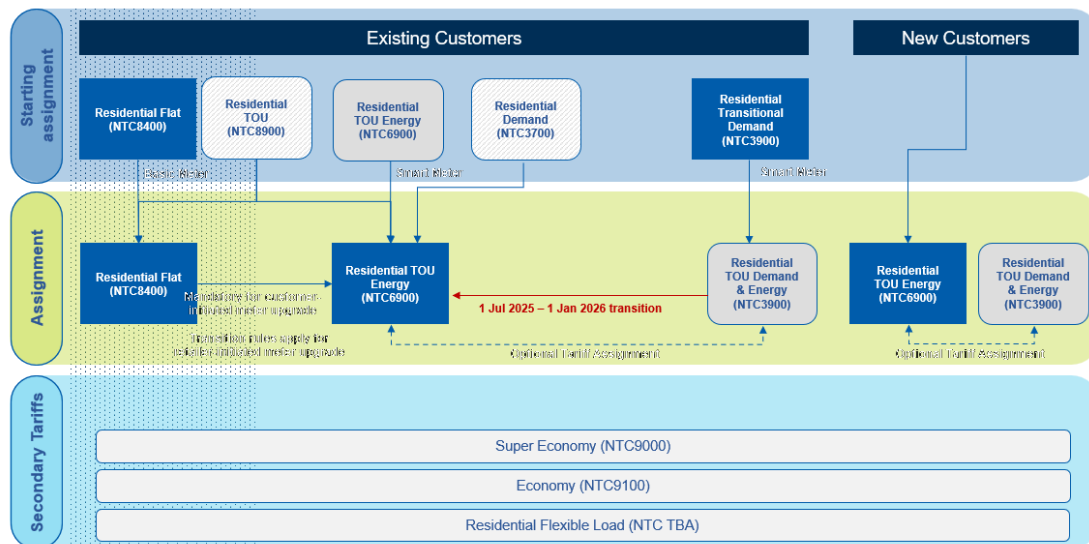
Our proposed amendment, if approved will result in changes to Section 4.3 and 4.4 of the Ergon Energy Network and Energex TSS.

Residential tariff assignment

Proposed amendments should be reflected in Section 4.3 of the TSS to include the amended arrangement resulting in:

- customers assigned to the optional Residential Demand tariff as at 30 June 2025 being reassigned to the Residential TOU Energy tariff on 1 July 2025 (the revised TSS currently has these customers being reassigned to the Residential TOU Demand and Energy tariff).
- all customers on the Residential TOU Demand and Energy tariff being reassigned to the default Residential TOU Energy tariff over a 6 month period from 1 July 2025.

The figure in Section 4.3 requires the following change reflecting the amended assignment arrangements from 1 July 2025 during the TSS implementation period.

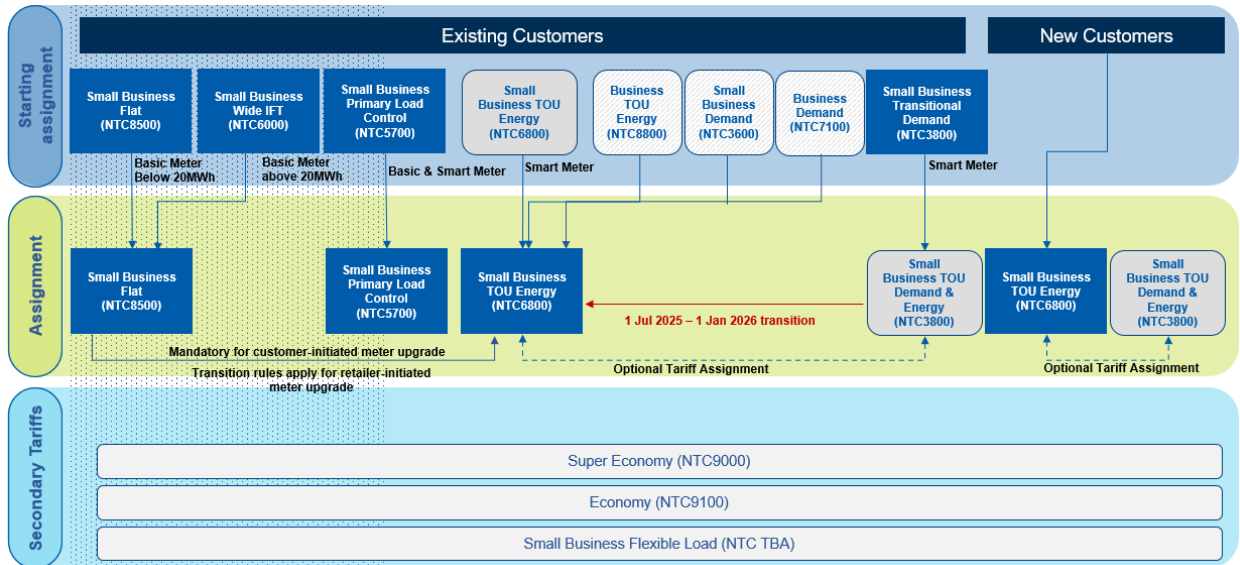


Small business tariff assignment

Proposed amendments should be reflected in Section 4.4 of the TSS to include the amended arrangement resulting in:

- customers assigned to the optional Small Business Demand tariff as at 30 June 2025 being reassigned to the Small Business TOU Energy tariff on 1 July 2025 (the revised TSS currently has these customers being reassigned to the Small Business TOU Demand and Energy tariff).
- all customers on the Small Business TOU Demand and Energy tariff being reassigned to the default Small Business TOU Energy tariff over a 6 month period from 1 July 2025.

The figure in Section 4.4 requires the following change reflecting the amended assignment arrangements from 1 July 2025 during the TSS implementation period.



Amendments should be applied to both Ergon Energy Network and Energex TSS documents.