

17 January 2025

Australian Energy Regulator GPO Box 3131 CANBERRA ACT 2601

By email: energyqueensland2025@aer.gov.au

Dear Sir/Madam,

RE: LGAQ Response on the Energex – Determination 2025-30, AER213703

The Local Government Association of Queensland (LGAQ) welcomes the opportunity to provide feedback to the Australian Energy Regulator (AER) on the Energex – Determination 2025-30, acknowledging both the Australian Energy Regulator's draft decision released on 23 September 2024 and the revised proposal submitted by Energex on the 26 November 2024.

As the peak body for local government in Queensland, the LGAQ supports our members by advocating on their behalf to ensure local council and community interests are appropriately considered.

Overall, the LGAQ supports the role of the AER in ensuring that energy consumers nationwide have access to a reliable and secure market and that they pay no more than necessary for energy.

In relation to the Energex – Determination 2025-30, the LGAQ notes the AER acknowledges that the network charge proposed is 'relatively high' and references engagement with stakeholders participating in the Noosaville Community Battery project. However, we also note that the access charge was not highlighted by Energex in its revised regulatory proposal in the discussion on changes to the grid-scale storage tariffs.

At the LGAQ 2024 Annual Conference, a resolution was passed by Queensland councils requesting revision and amendment of the Dynamic Network (Storage) Tariff (as proposed by Energex in its Tariff Structure Statement under assessment), to provide a lower fixed cost and ensure the elimination of barriers to the widespread roll-out of community batteries across Queensland.

Council and community investment into renewable technology and community support for new energy projects are dependent on costs remaining sustainable. The excessive fixed charge on this particular tariff effectively excludes council and community from developing community storage projects, both negating the social benefit of direct engagement in the energy sector and the benefits to the grid through firming capability.

In Queensland, the recent State Government derogation under the *National Energy Retail Law* (Queensland) Amendment Regulation (No. 2) 2024 (the Amendment Regulation (No.2) 2024) introduces new obligations on energy retailers for tariff variation notices and flat tariff standing offers in order to improve transparency and accessibility for customers.

LGAQ Recommendation: In considering the final decision on the Energex determination, the LGAQ recommends the AER revises its original decision and ensures Energex's proposed Dynamic Network (Storage) Tariff aligns with the policy objectives set under the *National Energy Retail Law* (Queensland) Amendment Regulation (No. 2) 2024, by providing a sustainable and equitable fixed charge that does not disadvantage councils and communities seeking to participate in renewable energy initiatives.



If you have any further questions on this matter, please reach out to Crystal Baker, Manager – Strategic Policy on

Yours sincerely,

Alison Smith

CHIEF EXECUTIVE OFFICER