

Paul Harrigan
A/General Manager
Australian Energy Regulator
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11 March 2025

Dear Mr Harrigan,

Amendment to Ergon Energy and Energex Tariff Structure Statements

The Australian Energy Council ('AEC') welcomes the opportunity to comment on the proposed amendments to the 2025 -30 Ergon Energy and Energex Tariff Structure Statements.

The AEC is the peak industry body for electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. AEC members generate and sell energy to over 10 million homes and businesses and are major investors in renewable energy generation. The AEC supports reaching net-zero by 2050 as well as a 55 percent emissions reduction target by 2035 and is committed to delivering the energy transition for the benefit of consumers.

Specific comment on the proposed amendments.

The AEC made a submission to this original draft determination. We note that EQ has revised its approach and has excluded demand tariffs for small customers and amended its assignment processes, both steps we agree are required.

There remains to our concern some issues with other elements of the approach. We note that the timeframe for approval of the tariffs, which is always late at the start of a new regulatory period is particularly problematic in Qld with the 10 day advance notice requirement.

We are also concerned with, and broadly opposed to, having contingent tariff adjustments for time of use windows within a TSS period. The changes and numerous reassignments at the end and commencement at each new five year period is complex enough for retailers and customers, and adding in contingent triggers simply complicates this further. This proposed approach has two plausible outcomes:

1. Retailers do not pass this through, therefore not gaining the impact EQ sought to achieve.
2. Retailers do pass it through, leading to a negative customer experience and the potential for confusion.

Either case does not represent reasonable outcomes for suppliers or their customers.

Any questions regarding this submission should be directed to the undersigned at

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Yours sincerely,

David Markham
Manager DER and Networks Policy
Australian Energy Council