



Queensland Energy Prices July 2023

An update report on the
Queensland Tariff-Tracking Project



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The energy offers, tariffs and bill calculations presented in this report and associated workbooks should be used as a general guide only and should not be relied upon. The workbooks are not an appropriate substitute for obtaining an offer from an energy retailer. The information presented in this report and the workbooks is not provided as financial advice. While we have taken great care to ensure accuracy of the information provided in this report and the workbooks, they are suitable for use only as a research and advocacy tool. We do not accept any legal responsibility for errors or inaccuracies. The St Vincent de Paul Society and Alviss Consulting Pty Ltd do not accept liability for any action taken based on the information provided in this report or the associated workbooks or for any loss, economic or otherwise, suffered as a result of reliance on the information presented. If you would like to obtain information about energy offers available to you as a customer, go to AER's 'Energy Made Easy' website or contact the energy retailers directly.

Acknowledgements

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The views expressed in this document do not necessarily reflect the views of Energy Consumers Australia.

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The Queensland Tariff-Tracking Project: Purpose and outputs

This project has tracked electricity and gas tariffs in Queensland from July 2009 to July 2023 and developed a spreadsheet-based tool that allows consumer advocates to build on the initial analysis and continue to track changes as they occur. The first report for the Queensland Tariff-Tracking project was published in August 2012 and this is the tenth up-date report focusing on price changes that have occurred over the last year.

We have developed workbooks that allow the user to enter consumption levels and analyse household bills for regulated gas and electricity offers from July 2009 to July 2023, as well as published electricity and gas market offers post the July price resets in 2012 to 2023.¹ A recent addition to the Tariff-Tracking project is market offers available to new solar customers. The workbook allows users to calculate annual bills based on retailers' rates, feed in tariffs offered and additional discounts. Again, the user can enter consumption level as well as choosing to run the bill calculation based on 1.5 kW or 3 kW solar systems.

Workbook 1: Standing/Regulated electricity offers July 2009-July 2023

Workbook 2: Standard gas retail offers July 2009-July 2023²

Workbook 3: Electricity market offers July 2012-July 2023

Workbook 4: Gas market offers post July 2012-July 2023

Workbook 5: Solar market offers post July 2016-July 2023

The jurisdictional update reports will be followed by a NEM comparison report that discusses market issues and customer impacts in more detail as well as making recommendations.

All workbooks and reports can be accessed at the St Vincent de Paul Society's website: www.vinnies.org.au/energy

1. All market offers are published offers and do not include special offers that retailers' market through door-knocking campaigns or brokers. We use the retailers' own websites to collect market offer for the Queensland Tariff-Tracking tool. If the retailer has more than one market offer we use the offer that produces the lowest annual bill and/or the offer the retailer promotes as it's best offer. Prior to July 2016, the Tariff-Tracking tool does not include any additional discounts or bonuses but key market offer features are listed in the spreadsheets. This report contains analysis of some of those features.

2. Note: Queensland does not have regulated gas offers.

Key findings

In terms of general trends, the tariff analysis has found that:

- ▲ The **Default Market Offer (DMO) bill increased by around 21% for single rate and controlled load (Tariff 31) on 1 July 2023.**³ **See charts 1 and 2 in section 1.**
- ▲ **Annual electricity bills for all-electric households** using 8,000 kWh per annum on the DMO (tariff 11) have typically **increased by around \$565 (or 23%)** since last year.⁴ **See chart 3.**
- ▲ For customers on the **Time of Use tariff (tariff 12), the annual bill has typically increased by \$705 (or 28%).**⁵ **See chart 3.**
- ▲ While retailers are obliged to offer standing offers based on the regulated DMO for a set consumption level prices can vary significantly for customers with higher consumption. **The maximum price spread (difference between best and worst retail offer) is currently \$1,050 per annum for households using 8,000 kWh per annum.** **See chart 4.**
- ▲ **Gas bills have increased by 4% to 6%** (depending on the gas pricing zone) between July 2022 and July 2023.⁶ **See chart 5, 6 and 7.**
- ▲ The **average annual electricity bill (all retailers) for households using 8,000 kWh per annum is currently around \$3,120 for DMO/standing offer customers and \$2,820 for market offer customers (including additional discounts).** **See chart 9 in section 2.1.**
- ▲ Compared to last year (July 2022), **the average electricity market offer (inclusive of additional) has increased by \$25 or 1%. However, this low average increase is due to some retailers having reduced or discontinued offers with extremely high rates.** Most individual retailers with market offers in both 2022 and 2023 have significantly increased their prices. **AGL, Energy Australia, Kogan, Origin, Powershop and Red Energy all increased their annual bills by more than \$500 per annum (or more than 20%) post July 2023.** **See section 2.1.**
- ▲ A household **switching from Origin or AGL's standing offer (Tariff 11) to the best electricity market offer can save around \$635 per annum.**⁷ **See section 2.1.**
- ▲ **The difference between the best and the worst market offers is \$695 (Tariff 11).**⁸ OVO Energy is the retailer that currently has the best market offer for single rate customers. **See charts 10-13 in section 2.1.**
- ▲ The **average gas market offer (inclusive of additional discounts) has increased by \$45 (5.5%)** since July 2022.⁹ However, many retailers have increased their prices by more. Red Energy's annual bills have increased the most (by 18-19%), Origin's by 16-17%, AGL by 12-14% and Alinta by 7-8%. GloBird's bills, on the other hand have decreased by 16%. The average gas market offer is currently around \$880 for households consuming 10,000KJ per annum.¹⁰ **See Section 2.2.**
- ▲ **The difference between the best and the worst gas market offers (including additional discounts) is \$90 in the APT zone (Brisbane South) and \$145 AGN zone (Brisbane North).**¹¹ **See Section 2.2.**

3. These bill calculations are based on the consumption levels used by the AER to set the DMO.

4. These calculations are based AGL and Origin's standing offers for households using 8,000kWh per annum (single rate).

5. These calculations are based AGL and Origin's standing offers for households using 8,000kWh per annum and 20% peak/55% shoulder/25% off-peak.

6. These calculations are based the average standard gas offer for households using 10,000MJ per annum.

7. These calculations are based the market offers for households using 8,000kWh per annum.

8. Ibid.

9. Based on households using 10,000MJ per annum.

10. Average based on all retailers in the Brisbane North and Brisbane South pricing zones.

11. These calculations are based the market offers for households using 10,000MJ per annum.

- ▲ **The fixed supply charge** for single rate electricity customers (Tariff 11) **has increased by 10% since July 2022**. The average supply charge (based on AGL and Origin's standing offers) is almost 134 cents per day meaning that **households pay around \$488 per annum in fixed charges alone. This is the highest fixed supply charge since 2009**. **See chart 18 in section 3.**
- ▲ The average residential gas consumption in Queensland is relatively low and as such the supply charges comprise a significant proportion of the annual gas bill.¹² For households consuming 10,000MJ per annum in **the APT gas zone, the supply charge makes up 52-53% of the annual bill**, depending on the retailer. **In the Envestra/AGN zone (Brisbane North), the supply charge makes up 33% of the annual bill** (for the same consumption level). **See section 3.**
- ▲ The Network Use of System (NUOS) charges increased in July 2023 but as the increase to the retail bill is significantly greater, the **NUOS proportion of bills has decreased to 27% (the lowest it has been since 2009)**.¹³ **See chart 21 in section 4.1.**
- ▲ In relation to gas, the **Distribution Use of System (DUOS) increased in July 2023 in both AGN (Brisbane North) and APT (Brisbane South)**. The DUOS proportion of gas retail bills is currently **50% in AGN and 46% in APT**. **See charts 23 and 24 in section 4.2.**
- ▲ It is becoming increasingly common that retailers offer a relatively high Feed-in tariff (FIT) for a set amount of kWh exported each day and a much lower FIT rate for export beyond that. Red Energy, Energy Australia, Origin, GloBird, Energy Locals and AGL all apply a daily export threshold for their maximum FIT rate. In the case of Red Energy, only the first 5 kWh exported each day will attract a higher FIT. **As of July 2023, the average FIT rate** (for initial export below any threshold applied) **is 8.6 c/kWh compared to 6.4 c/kWh one year ago (July 2022)**.¹⁴ **See section 5.**
- ▲ Compared to last year, **the average market offer for solar customers (3 kW systems) has increased by \$50 or approximately 3%**.¹⁵ **See section 5.**
- ▲ **The average annual bill is approximately \$1,915 for households with 3 kW systems installed**. This means that the **average annual bill is \$910 less for solar households compared to non-solar households**. **See section 5.**
- ▲ The comparison of market offers available to new solar customers shows that there are significant differences between the bills the retailers' offers produce. **Brisbane solar customers with a typical consumption and a 3 kW system installed, may save \$435 per annum if switching from the worst market offer (Momentum) to the best (Energy Locals)**.¹⁶ **See figure 4 in section 5.**
- ▲ Several retailers are offering products available to solar customers only and most of these offers contain higher rates for electricity used compared to their general offers. **For households with a 3kW solar system installed, only two of the 'solar only' offers would produce annual bills that are lower than the general offers**.¹⁷ **See chart 27 in section 5.**

12. We have assumed typical residential annual gas consumption in Queensland to be 10,000MJ per annum while in Victoria, for example, we base it on 63,000MJ.

13. Based on AGL and Origin's standing offers (average) as of July 2023. Presented as annual bills for households using 8,000kWh per annum (flat rate).

14. Note that the averages are based on fewer retailers in July 2022 compared to July 2023

15. Based on electricity offers post July 2023 as annual bills, Tariff 11, 8,000kWh, bills including discounts and FIT credits for Brisbane customers with 3 kW solar systems.

16. Ibid.

17. Based on electricity offers post July 2023 as annual bills, Tariff 11, 8,000kWh, bills including discounts and FIT credits for Brisbane customers with 3 kW solar systems.

1. Energy price changes from July 2022 to July 2023

On 1 July 2019, the Australian Energy Regulator’s (AER) initial Default Market Offer (DMO) took effect in South East Queensland. The DMO replaced the previously retailer-set standing offers. The AER’s DMO is expressed as an annual bill for a set consumption level and retailers are still able to “translate the annual amount into different tariff structures”.¹⁸ The Regulations stipulate that retailers must structure their prices to not exceed the annual DMO price for that consumption level.¹⁹ In both July 2020 and July 2021, the price of the DMO decreased while it increased significantly in July 2022 and July 2023.

The DMO prices for single rate and controlled load tariffs in Queensland are listed in Table 1 below.

TABLE 1 | Residential DMO prices in QLD for 2023-24 (including GST)²⁰

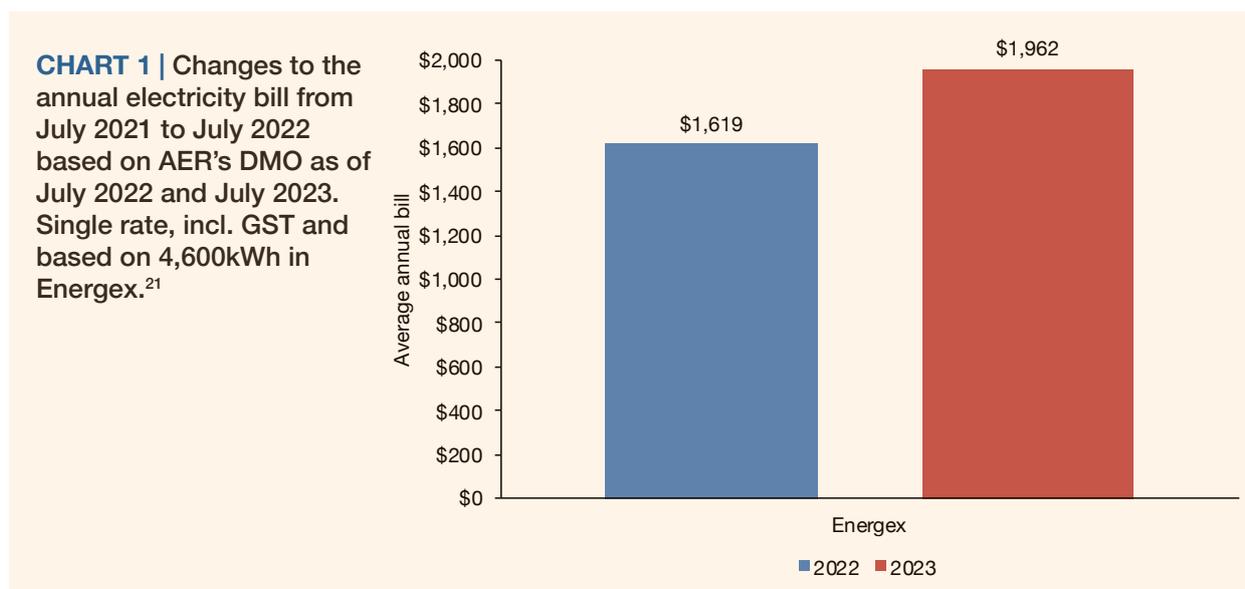
Energex	
SINGLE / FLAT RATE	
Annual bill	\$1,969
Consumption level*	4,600 kWh/annum
CONTROLLED LOAD[^]	
Annual bill	\$2,363
Consumption level*	6,300 kWh/annum

[^]Approximately 30% of the annual consumption is allocated to the controlled load tariff.

* Rounded to nearest 100 kWh.

Charts 1 and 2 below show changes to annual bills from July 2022 to July 2023 for households on the DMO (single rate and controlled load) in the Energex network. These bill calculations are based on the consumption levels used by the AER to set the DMO (see Table 1 above).

Chart 1 shows that the current DMO, for customers on the single rate, produces an annual bill that is \$345 more (21.2%) than the DMO for 2022/23.



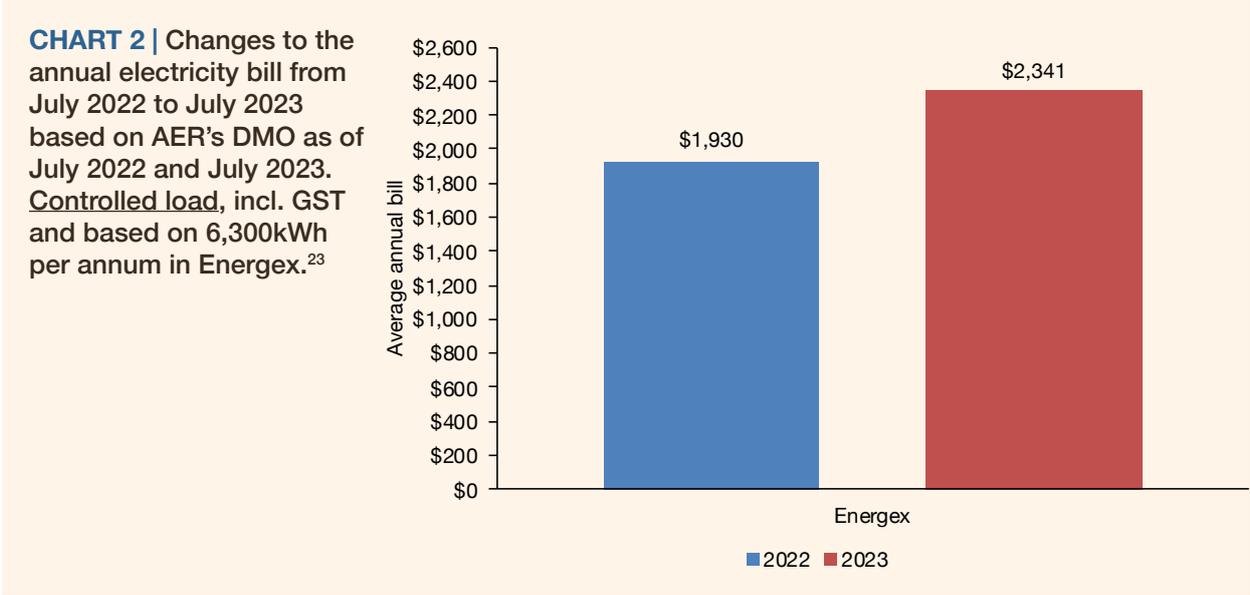
18. AER, Default Market Offer Prices 2020-21, Final Determination, April 2020, 9

19. Ibid., 9

20. AER, Default Market Offer Prices 2023-24, Final Determination, May 2023. Note that AER does not state to which controlled load tariff (31 or 33) these residential DMO prices apply to.

21. Annual bill calculations based on AGL and Origin Energy’s average DMO

For controlled load tariffs, Chart 2 shows that the current DMO in Energex produces an annual bill that is \$410 more (21.3%) than the DMO for 2022/23.²²



As the Tariff-Tracking project aims to monitor and assess changes to energy prices over time, the remaining analysis presented in this report will be based on the consumption levels previous Tariff-Tracking reports have used for Queensland. That is 8,000 kWh per annum for electricity customers and 10,000 MJ per annum for households with gas.

Chart 3 shows changes to the host retailers' annual DMO/standing offer bills from July 2022 to July 2023 for average consumption households in the Energex network. It shows that the average annual bill has increased for all four tariff types. For Tariff 11, the average annual bill has increased by approximately \$565 (23%). Table 2 below shows the increases to annual bills by tariff type.

22. Note that our calculation is based on controlled load tariff 31 and the annual bill would be slightly higher for controlled load tariff 33.
 23. Annual bill calculations based on AGL and Origin Energy's average DMO

CHART 3 | Changes to annual DMO/standing offer bills from July 2022 to July 2023, 8,000kWh per annum, GST inclusive²⁴

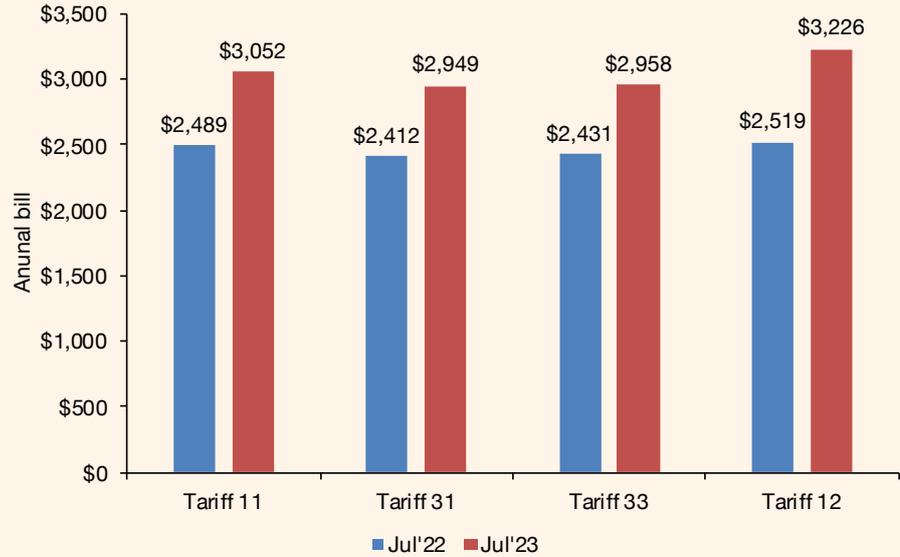


TABLE 2 | Increases to annual bills for electricity by tariff type July 2022 – July 2023²⁵

	Tariff 11	Tariff 31	Tariff 33	Tariff 12
\$ Increase	\$564	\$537	\$528	\$707
% Increase	23%	22%	22%	28%

While retailers are obliged to offer standing offers based on the regulated DMO for a set consumption level, prices can vary significantly for customers with higher consumption.

A comparison of standing offers for households using 8,000 kWh per annum (instead of the DMO consumption level of 4,600 kWh) shows that the maximum price spread is as high as \$1,050. GloBird, the retailer with the most expensive standing offer for this consumption level, manages to charge these high prices through an inclining block tariff where the first rate is 33.33 cents per kWh and the second rate is 60.5 cents per kWh. The second rate only applies to households that use more than 5,480 kWh per annum and as customers on the DMO based consumption level are below this threshold only the lower charge is applied to them.

Chart 4 shows annual bills for retailers' standing offer based on the consumption level used to set the DMO (4,600 kWh per annum) as well as bills based on an annual consumption level of 8,000 kWh.

24. Based Origin and AGL's DMO/standing offers. For Tariff 31 and 33, 15% of consumption has been allocated to off-peak rates. For Tariff 12, the allocations are: 20% peak, 55% shoulder and 25% off-peak.

25. Ibid.

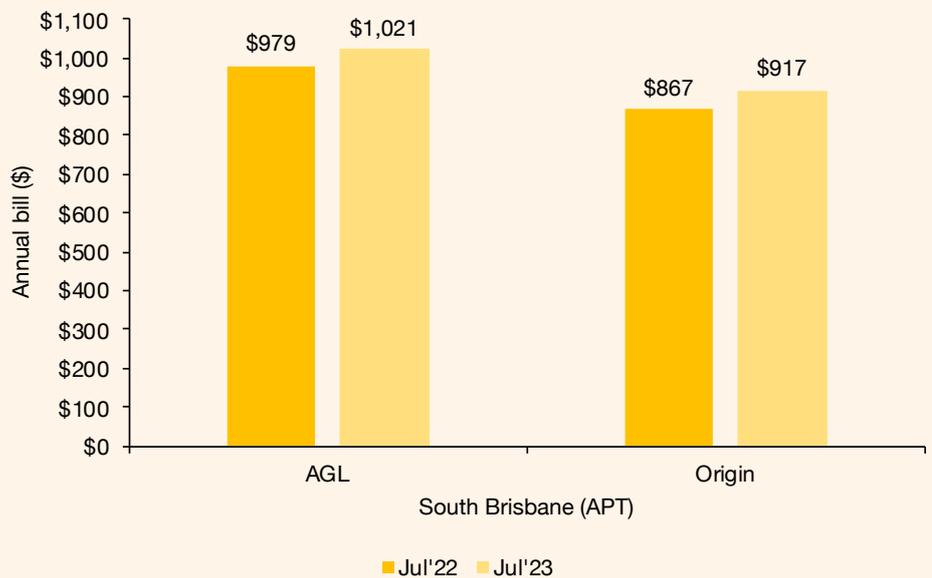
CHART 4 | Annual DMO/ standing offer bills for households consuming 4,600 kWh and 8,000 kWh per annum, July 2023, single rate, GST inclusive



Gas bills have increased in all gas pricing zones between July 2022 and July 2023. Origin continues to offer the lowest gas bill in Brisbane South while AGL and Origin’s offers produce similar bills in Brisbane North.

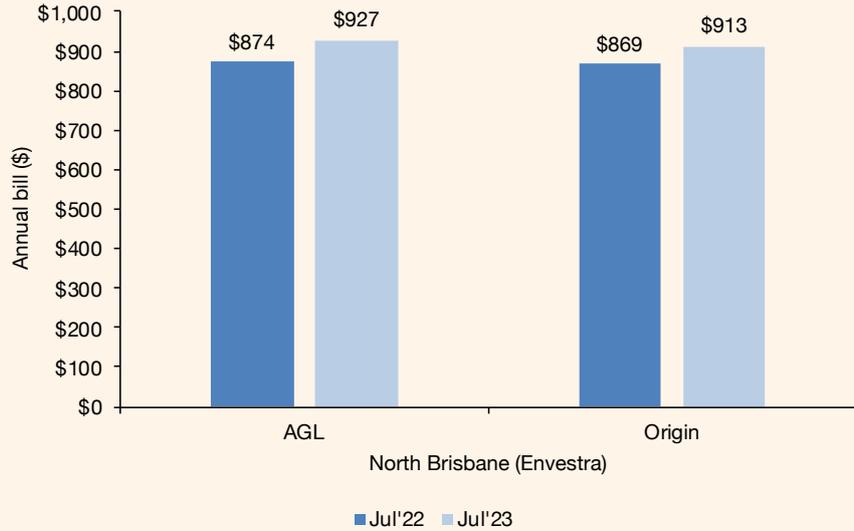
In the Brisbane South gas zone, AGL and Origin Energy have increased their annual bills by \$40 (4%) and \$50 (6%) respectively. See chart 5. In the Brisbane North gas zone, AGL has increased its bill by \$55 (6%) while Origin Energy’s bills have increased by \$45 (5%). See Chart 6.

CHART 5 | Annual gas bills from July 2022 to July 2023, 10,000MJ - South Brisbane & South Queensland²⁶



26. AGL and Origin’s standard rates and customers using 10,000MJ per annum.

CHART 6 | Annual gas bills from July 2022 to July 2023, 10,000MJ - North Brisbane & Ipswich²⁷



For the other Envestra/AGN pricing zones, annual bills have increased by around \$50 (5.5%) for the Northern retail area and by \$35 (6.5%) for the Wide Bay area. See Chart 7.

CHART 7 | Annual gas bills as of July 2022 and July 2023, 10,000MJ – Origin’s rates in the Northern retail area and Wide Bay²⁸

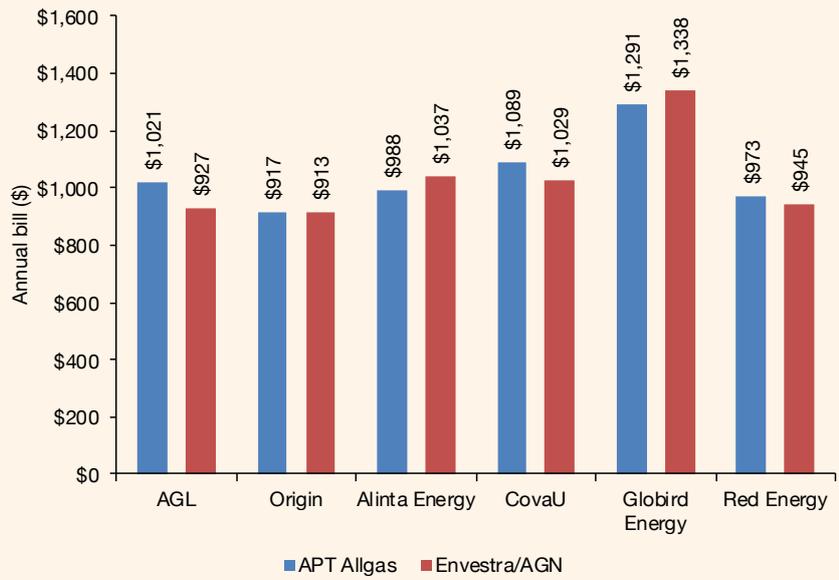


While the majority of customers are with AGL and Origin Energy, four additional retailers (Alinta, Covau, GloBird and Red Energy) also offer gas to residential customers. Chart 8 shows annual gas standing offer bills for all retailers in the Envestra/AGN North (Brisbane North) and APT Allgas (Brisbane South) areas. It shows that GloBird’s standing offers produce the highest bills while Origin Energy has the lowest in both gas zones.

27. Ibid.

28. The Northern retail area covers Rockhampton and Gladstone and the Wide Bay area covers Bundaberg, Maryborough and Hervey Bay. Origin is the only retailer with offers for residential customers in these areas. Bill estimates based on customers using 10,000MJ per annum.

CHART 8 | Annual standing offer gas bills as of July 2023, 10,000MJ – All retailers in the AGN North and APT Allgas retail areas

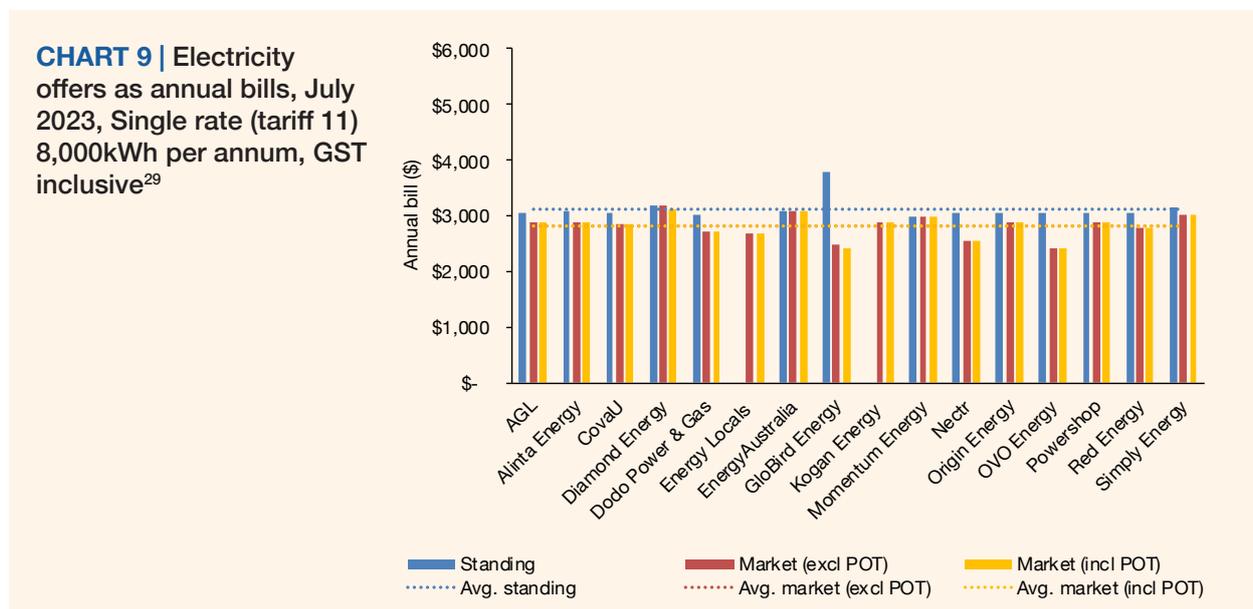


2. Market offers post July 2023

2.1 Electricity market offers post July 2023

Chart 9 below shows that the average annual bill for households using 8,000kWh per annum is around \$3,120 for standing offer customers and \$2,820 for market offer customers (including additional discounts). Since the introduction of the DMO in July 2019, many retailers have moved away from pay on time discounts to offer guaranteed discounts or no discount at all, and this trend has continued in July 2023.

Compared to last year (July 2022), the average market offer (inclusive of additional discounts) has increased by \$25 or around 1%. It should be noted, however, that this modest increase to the average market offer is mostly due to a few retailers reducing or discontinuing their previously very high rates rather than most retailers increasing their offers slightly. GloBird and ReAmped Energy had the two most expensive market offers one year ago. GloBird's offer is now significantly reduced while ReAmped is not currently offering electricity market offers.



Market offers often include features such as discounts on consumption rates, vouchers, sign-up credits, loyalty bonuses and discounts if bills are paid on time or paid by direct debit. Consumers assessing market offers should take these additional features into account and be aware of contract conditions such as late payment fees, the length of the contract and fees for exiting the contract early.

Charts 10 - 13 below show the difference in annual bills between retailers' standing offers and market offers based on guaranteed discounts (if any), as well as market offers including pay on time discounts (if any) for tariff 11, tariff 31, tariff 33 and tariff 12. Tariff 11 customers on AGL and Origin's standing offers can save around \$635 by switching to the best market offer (OVO Energy). If the same standing offer customers switched to Diamond Energy, however, they could be around \$70 worse off.³⁰

29. The retail offers were collected from the retailers' websites between 7 August 2023 and it must be noted that retailers may change their rates at any time. Annual bill calculations shown as green columns include guaranteed discounts and pay on time discounts. This analysis only includes retailers that have published market offers and some of these retailers do not have published standing offers. Note that Amber Electric has been excluded from this analysis as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.

30. This analysis only includes retailers that have published market offers and some of these retailers do not have published standing offers. Note that Amber Electric has been excluded from this analysis as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.

The maximum difference, or price spread, between annual bills for market offers (including additional discounts) is approximately \$695 for tariff 11, \$645 for tariff 31, \$635 for tariff 33, and \$660 for tariff 12. The maximum price-spread is significantly less compared to one year ago (July 2022). Furthermore, the charts show that none of the retailers currently have market offers that produce higher bills than their standing offers.

CHART 10 | Tariff 11: Annual bills based on guaranteed discounts vs. pay on time discounts as of July 2023 (8,000kWh per annum, including GST).³¹

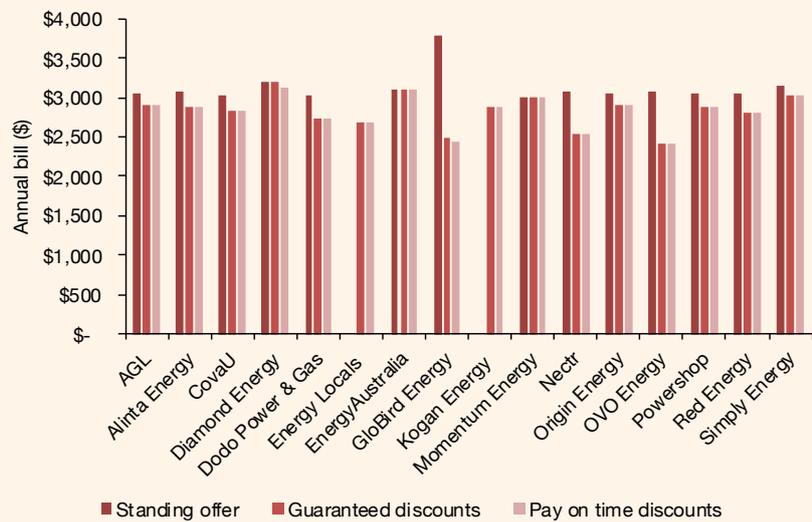


CHART 11 | Tariff 31: Annual bills based on guaranteed discounts vs. pay on time discounts as of July 2023 (8,000kWh per annum, 15% off-peak, including GST).³²



31. Ibid.
32. Ibid.

CHART 12 | Tariff 33: Annual bills based on guaranteed discounts vs. pay on time discounts as of July 2023 (8,000kWh per annum, 15% off-peak, including GST).³³



CHART 13 | Tariff 12: Annual bills based on guaranteed discounts vs. pay on time discounts as of July 2023 (8,000kWh per annum, 20% peak, 55% shoulder and 25% off-peak, including GST).

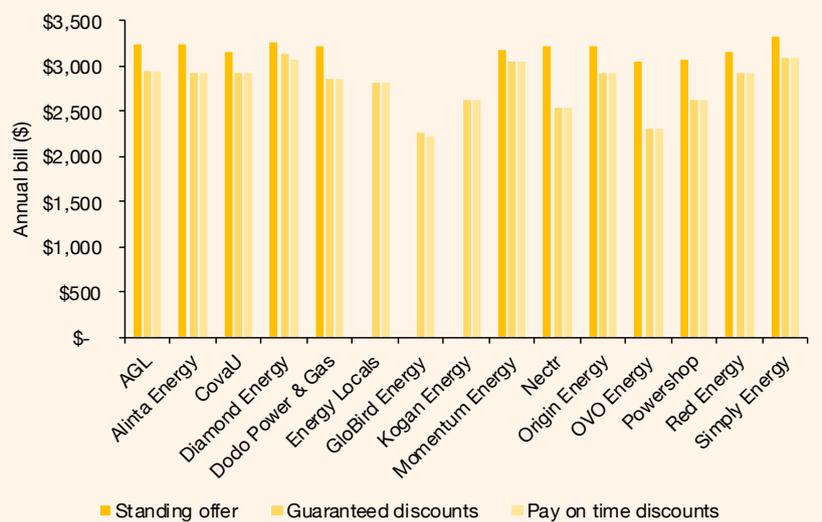


Figure 1 below shows estimated annual bills for market offers post discounts ranked from the lowest annual bill to the highest (for Tariff 11).³⁴

33. Ibid.

34. These bill estimates are based on rates published on the retailers' websites on the 7th of August 2023 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations. Note that Amber Electric has been excluded from this analysis as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.

FIGURE 1 | Lowest to highest annual bills (incl GST) for market offers post July 2022, including discounts and pay on time discounts - Households consuming 8,000kWh per annum (Tariff 11)

	OVO Energy	\$2,417		CovaU	\$2,842		Momentum Energy	\$2,999
	GloBird Energy	\$2,430		Kogan Energy	\$2,884		Simply Energy	\$3,034
	Nectr	\$2,546		Powershop	\$2,884		EnergyAustralia	\$3,102
	Energy Locals	\$2,677		Alinta Energy	\$2,889		Diamond Energy	\$3,124
	Dodo Power & Gas	\$2,722		Origin Energy	\$2,899			
	Red Energy	\$2,798		AGL	\$2,900			

The discounts (including pay on time discounts) used to estimate annual bills for Charts 10-13, as well as Figure 1, above are shown in table 3 below. Table 3 also shows other contract terms and features, such as early termination fees, associated with these market offers. Some of the retailers have multiple market offers and may offer higher discounts than those listed here. However, if discounts are higher they are typically tied to other conditions such as payment by direct debit, e-billing or dual fuel contracts.

TABLE 3 | Published electricity market offers, effective as of July 2023: Key additional features and contract conditions

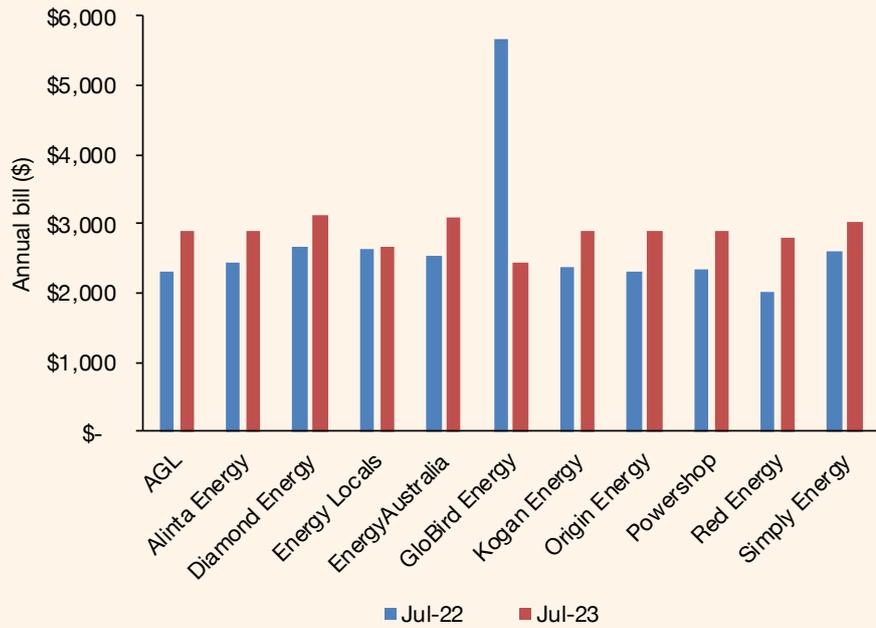
Retail product	Guaranteed discounts	Pay on time discounts	ETF*	LPF*	Shortened billing cycle [^]	Offer took effect
AGL Value Saver	No	No	No	\$12	No	24/7/23
Diamond Energy Renewable Saver	No	2% off bill	No	\$15	No	1/7/23
Energy Australia Flexi Plan	No	No	No	\$12	No	2/8/23
Energy Locals Online Member	No	No	No	\$16	No	1/7/23
Origin Energy Go Variable	No	No	No	\$12	No	1/7/23
Simply Energy Saver	4% off bill	No	No	\$12	No	1/7/23
Powershop Carbon Neutral	No	No	No	No	Yes	1/8/23
Red Energy Living Easy Saver	No	No	No	No	No	25/7/23
Alinta Energy Home Deal	No	No	No	No	Yes	1/7/23
Kogan Energy Free Kogan First	No	No	No	No	Yes	1/7/23
GloBird Energy GloSave	No	2% off bill	No	No	No	26/7/23
CovaU Freedom	5% off bill	No	No	No	No	1/8/23
Dodo Market offer	No	No	No	No	No	8/6/23
Momentum Energy Suit Yourself	No	No	No	No	No	1/7/23
Nectr Energy 100% Clean	No	No	No	No	Yes	7/8/23
OVO Energy The One Plan	No	No	No	No	Yes	3/8/23

* ETF = Early Termination Fee and LPF = Late Payment Fee

[^] If yes, the offer has a mandatory shortened billing cycle (monthly billing)

As discussed above, there has only been a small increase (1%) to the average electricity market offer over the last year because some retailers have reduced or discontinued offers with extremely high rates. Most individual retailers with market offers in both 2022 and 2023, however, have significantly increased their prices. Chart 14 below shows that retailers such as AGL, Energy Australia, Kogan, Origin, Powershop and Red Energy all increased their annual bills by more than \$500 per annum (or more than 20%) post July 2023. GloBird is the only retailer that reduced (its previously very high) prices.

CHART 14 | Tariff
11: Annual bill for customers on electricity market offers post July 2022 and July 2023, 8,000 kWh per annum (GST inc).³⁵



35. This analysis only includes retailers that had published market offers in July 2022 as well as July 2023. As retailers may discontinue offers and/or introduced new market offers, this analysis is based on market offers deemed best value as well as “standard” (e.g. no direct debit requirements etc.) in both July 2022 and July 2023. Where a change in offer has occurred, the offers used for this comparison (2022/2023) are: Simply Energy (Basic/Saver). Note that Amber Electric has been excluded from this analysis as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.

2.2 Gas market offers post July 2023

There are no regulated gas offers in Queensland and currently AGL, Origin Energy, Alinta Energy, GloBird Energy, Red Energy and CovaU have gas market offers for residential consumers. As only North Brisbane (including Ipswich) and South Brisbane (including Gold Coast, Toowoomba, Oakey) have multiple market offers, this analysis only comprises market offers in these two areas. Chart 15 below shows that CovaU’s offer produces the lowest bill in the APT zone and GloBird in the Envestra/AGN zone. The average market offer has increased by \$45, or 5.5%, since July 2022. The average gas market offer is currently around \$880 for households consuming 10,000KJ per annum.³⁶



As is the case for electricity, gas market offers contain fewer discounts as well as other conditions compared to previously. Table 5 below shows the key features and contract conditions of the gas market offers used in this analysis.

36. Average based on all retailers in the Brisbane North and Brisbane South pricing zones.

TABLE 5 | Published gas market offers in the APT and Envestra/AGN gas zones as of July 2023: Key features and contract conditions

	Guaranteed discounts	Pay on time discounts	ETF*	LPF*	Contract term/Limited benefit period	Offer took effect
AGL Value Saver	No	No	No	\$12	12 months	24/7/23
Origin Energy Go Variable	No	No	No	\$12	12 months	1/8/23
Alinta Energy Home Deal	No	No	No	No	No	1/7/23
GloBird Energy GloSave	No	No	No	No	No	26/7/23
Red Energy Living Energy Saver	No	No	No	No	No	1/7/23
CovaU Freedom	No	No	No	No	No	16/1/23

* ETF = Early Termination Fee and LPF = Late Payment Fee

The difference between the best and the worst market offers is less for gas than electricity. The difference between the highest and the lowest market offers is of approximately \$90 in the APT zone (Brisbane South) and around \$145 in the Envestra/AGN zone (Brisbane North).

Figures 2 and 3 below show estimated annual bills for gas market offers post discounts in the APT and Envestra/AGN gas zones.³⁷

FIGURE 2 | APT gas zone: Lowest to highest annual bills (incl GST) for market offers post July 2023, including discounts and pay on time discounts - Households consuming 10,000MJ per annum

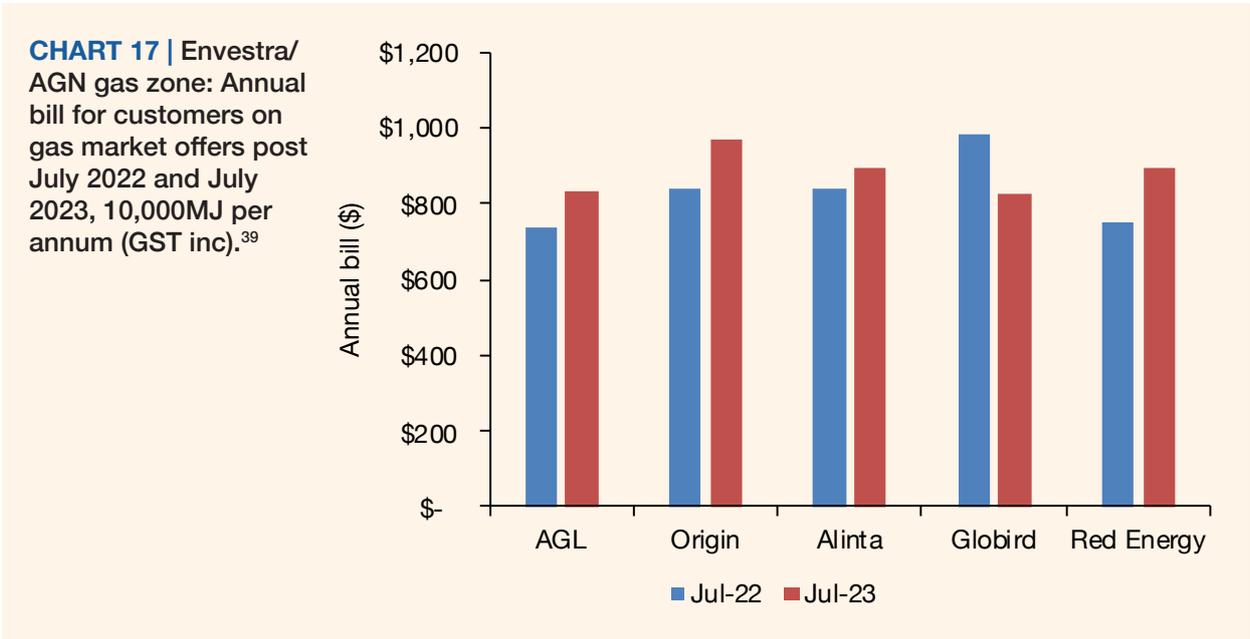
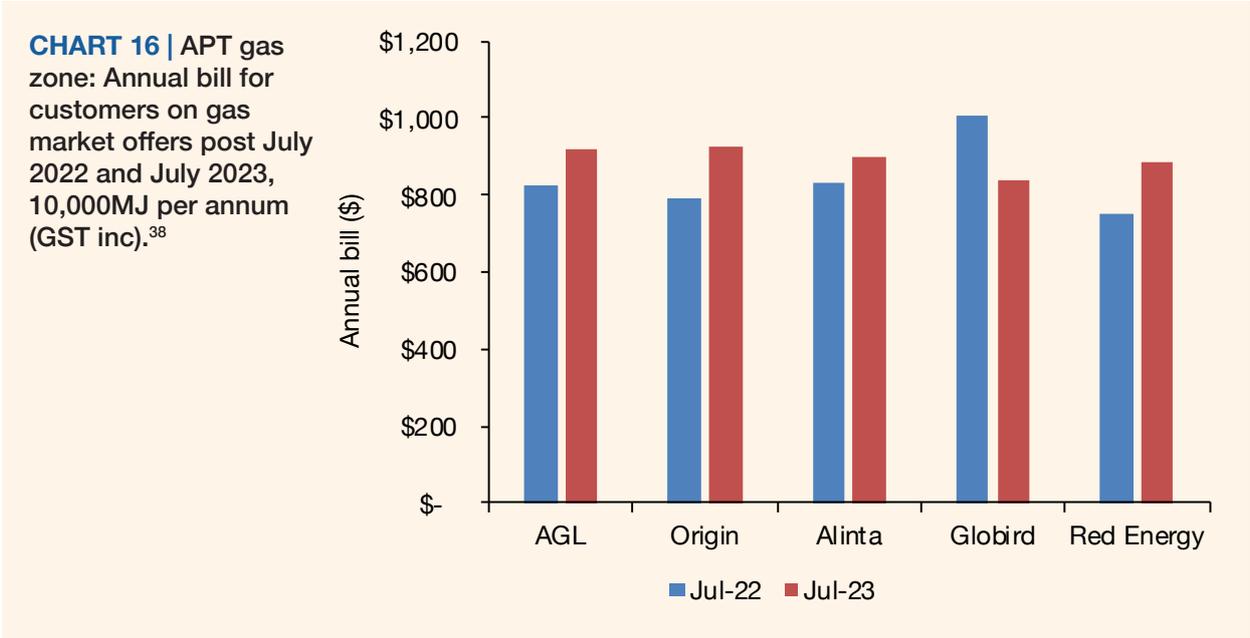
	CovaU	\$833
	Globird	\$841
	Red Energy	\$885
	Alinta	\$897
	AGL	\$919
	Origin	\$924

FIGURE 3 | Envestra/AGN gas zone: Lowest to highest annual bills (incl GST) for market offers post July 2023, including discounts and pay on time discounts - Households consuming 10,000MJ per annum

	Globird	\$824
	AGL	\$834
	CovaU	\$837
	Red Energy	\$896
	Alinta	\$897
	Origin	\$970

37. These bill estimates are based on rates published on the retailers' websites on the 7th of August 2023 and it must be noted that retailers may change their rates at any time.

As discussed above, the average gas market offer increased by 5.5% over the last year. However, one retailer (GloBird) has reduced its prices since last year while the others have increased theirs by more than the average. Red Energy’s annual bills have increased the most (by 18-19%), Origin’s by 16-17%, AGL by 12-14% and Alinta by 7-8%. GloBird’s bills, on the other hand, have decreased by 16%. Charts 16-17 below show the estimated annual gas bill for published gas offers in the APT and Envestra/AGN gas zones post July 2022 and 2023.

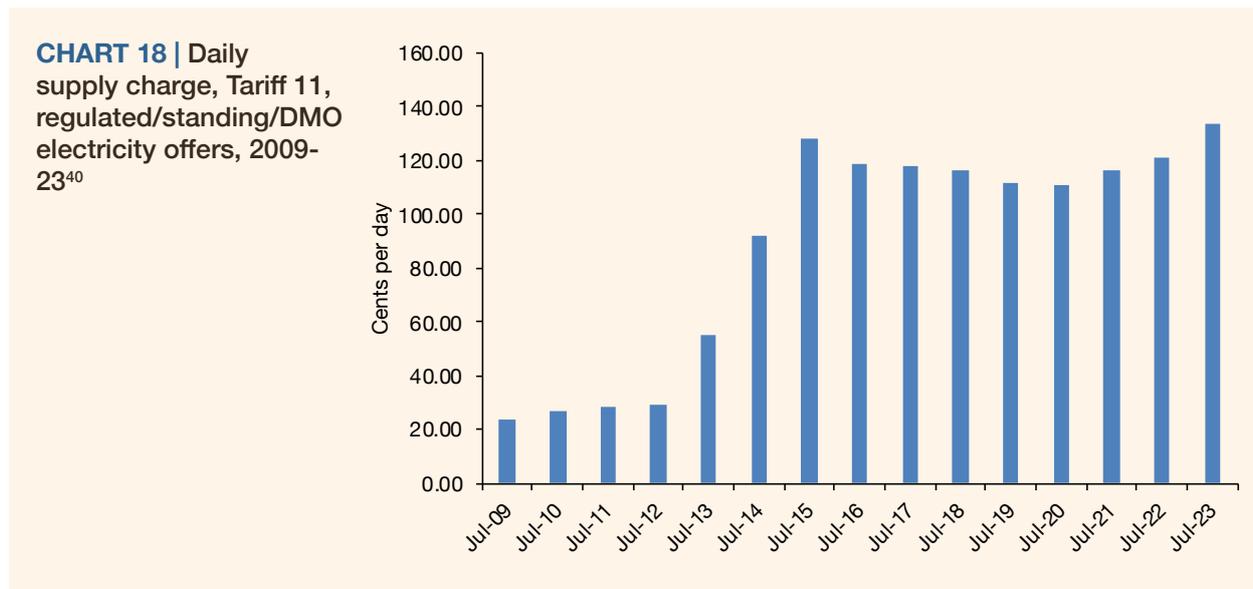


38. This analysis only includes retailers that had published market offers in July 2022 as well as July 2023.
 39. Ibid.

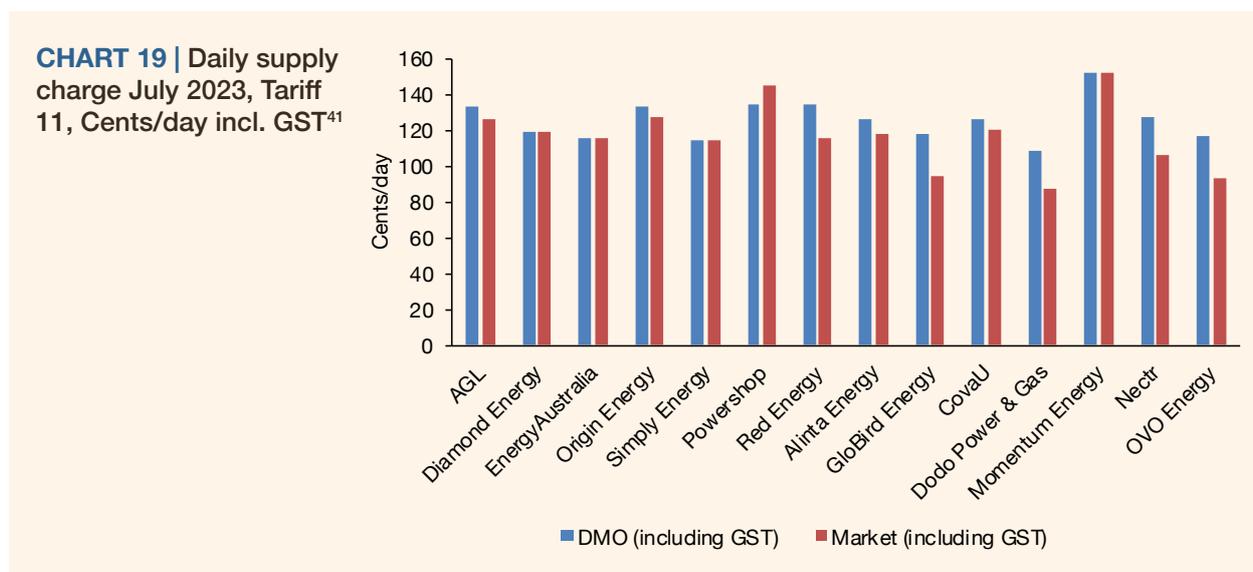
3. Supply charges

3.1 Electricity supply charges

The supply charge is a fixed daily charge that is paid in addition to the consumption charges for electricity used. In Queensland the supply charge for single rate electricity customers (tariff 11) has increased by 10% since July 2022. The average supply charge (based on AGL and Origin’s standing offers) is almost 134 cents per day meaning that households pay around \$488 per annum in fixed charges. Chart 18 below shows the changes to the daily supply charge from July 2009 to July 2023.



The supply charge varies between retailers. Chart 19 shows that most retailers apply higher fixed supply charges to their DMOs than their market offers, while some (Diamond Energy, Energy Australia, Momentum and Simply Energy) apply the same supply charge to DMOs and market offers. One retailer (Powershop) applies a higher supply charge to their market offer than they do to the DMO. Furthermore, it shows that Momentum’s market offer supply charge is almost 64 cents/day (or \$234/annum) more than Dodo’s market offer supply charge.

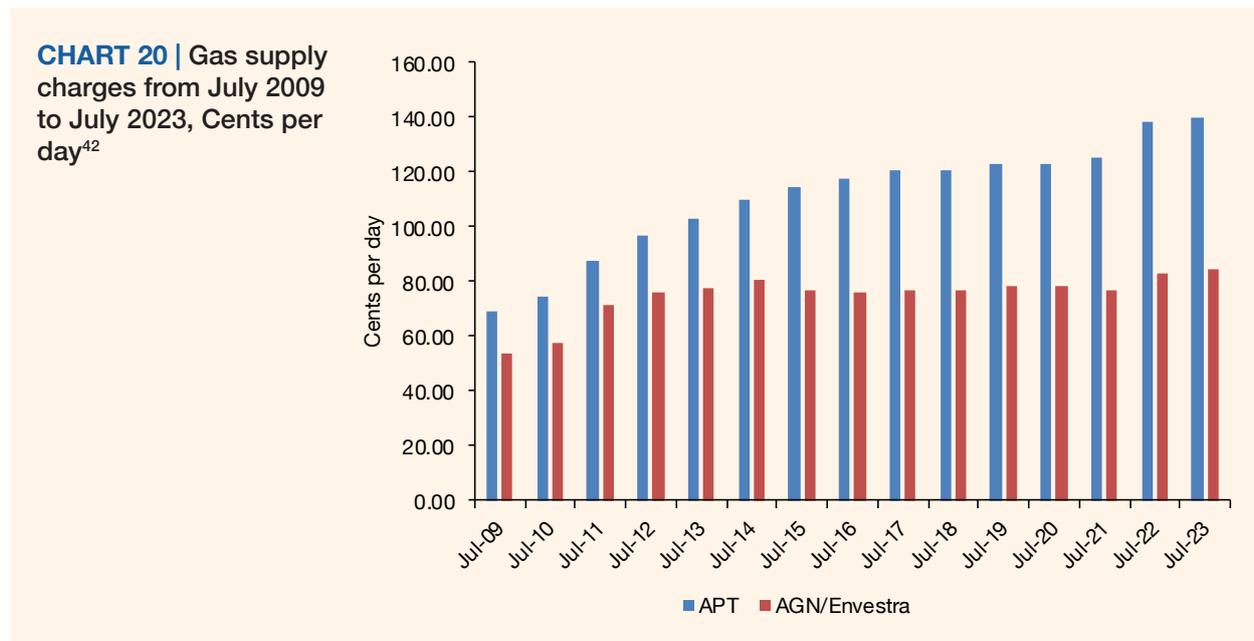


40. The 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 charges are based on AGL and Origin’s average supply charge

41. Note that only retailers that have published DMO offers as well as market offers have been included in this chart.

3.2 Gas supply charges

In July 2023, the average fixed supply increased in both the APT (Brisbane South) distribution zone and in the Envestra/AGN (Brisbane North) zone in comparison to July 2022. The average gas supply charge is just over 140 cents/day in the APT distribution area and approximately 84 cents/day in the Envestra/AGN (Brisbane North) pricing zone. This effectively means that South Brisbane households (APT zone) pay just over \$511 per annum in order to be connected to natural gas. Chart 20 below shows changes to the gas supply charge from July 2009 to July 2023 for both gas zones.



The average domestic gas consumption in Queensland is relatively low and as such the supply charges comprise a significant proportion of the annual gas bill.⁴³ For households consuming 10,000MJ per annum in the APT gas zone, the supply charge makes up 52-53% of the annual bill. In the Envestra/AGN zone (Brisbane North), the supply charge makes up around 33% of the annual bill (for the same consumption level).

42. Based on the average gas supply charge (AGL and Origin) for the standard gas offer.

43. We have assumed typical residential annual gas consumption in Queensland to be 10,000MJ per annum while in Victoria we base it on 63,000MJ.

4. Network charges

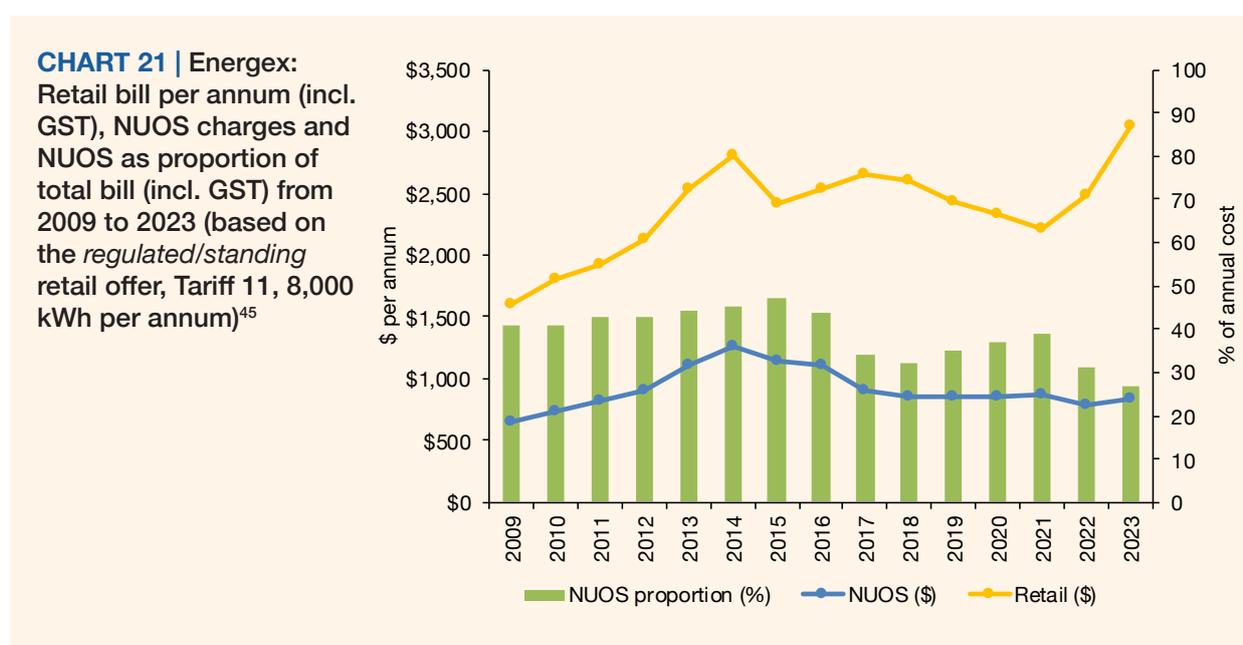
This section examines changes to electricity network charges since 2009 and gas distribution charges since 2019.

4.1 Electricity network charges

The Queensland electricity networks, Energex and Ergon, introduce new Network Use of System (NUOS) charges as of 1 July every year. These NUOS charges are approved by the Australian Energy Regulator (AER) and comprise Transmission Use of System (TUOS) and Distribution Use of System (DUOS) and the retailers can, and generally will, build changes to the NUOS (in relation to both shape and price) into their retail tariffs.

Chart 21 shows annual retail bills (yellow line), NUOS charges as annual cost (blue line) and NUOS as proportion of annual bill (columns).⁴⁴

It shows that the both the NUOS charges and retail bills increased in 2023 but as the increase to the retail bill is significantly greater, the NUOS proportion of bills has decreased to 27% (the lowest it has been since 2009).



44. The regulated residential retail tariff, which applies to residential customers across Queensland, is based on Energex' network tariff only.

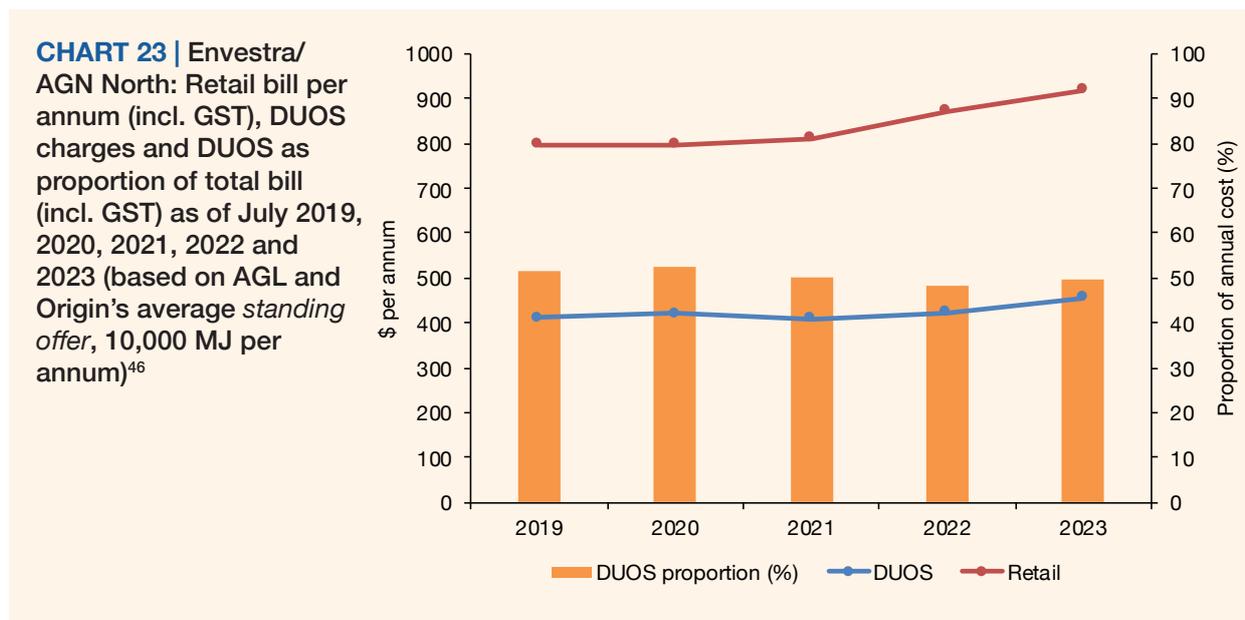
45. Based on the regulated retail offer rates from 2009 to 2015 and AGL and Origin's standing/DMO offers (average) as of July 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023. Presented as annual bills for households using 8,000kWh per annum (flat rate). The annual NUOS charges have been calculated by allocating 2,000kWh per quarter (again based on annual consumption of 8,000kWh) to the step charges stipulated in the NUOS. The annual NUOS cost also includes fixed charges.

4.2 Gas distribution charges

As for electricity, the Queensland gas distributors, Envestra/AGN and APT Allgas, introduce new Distribution Use of System (DUOS) charges as of 1 July every year. A more recent addition to the Tariff-Tracking project has been to analyse changes to gas DUOS charges. This analysis includes the two main gas distribution areas: Envestra/AGN North (Brisbane North) and APT Allgas (Brisbane South and the Gold Coast). Chart 22 below shows that the DUOS charges increased in both areas in July 2023.

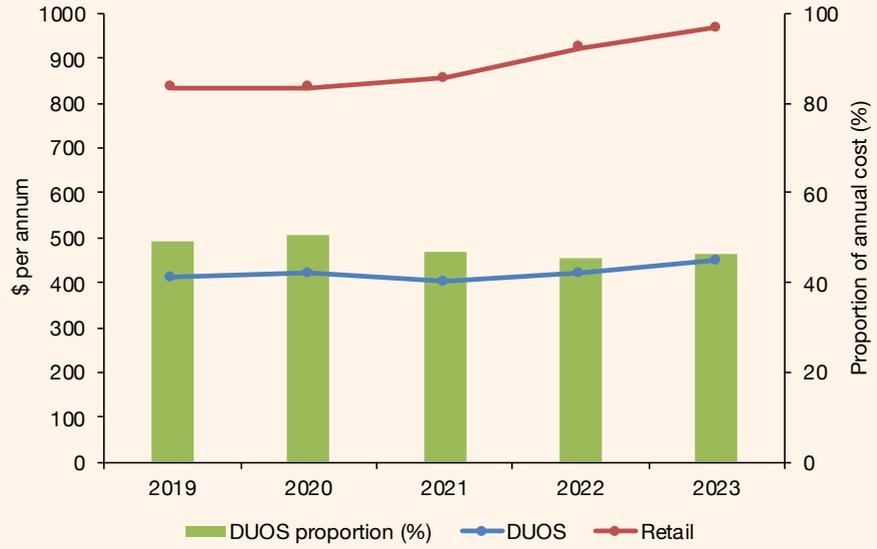


Chart 23 below shows that the DUOS, the retail bill and the DUOS proportion of bills all increased in the Envestra/AGN North gas zone in July 2023. Chart 24 shows that the DUOS and retail bills increased in the APT Allgas zone and that the DUOS proportion of bills remained unchanged. The DUOS proportion of gas retail bills is currently 50% in Envestra/AGN North and 46% in APT Allgas.



46. Based AGL and Origin's standing offers (average) as of July 2019, 2020, 2021, 2022 and 2023. Presented as annual bills for households using 10,000 MJ per annum. The annual DUOS charges have been calculated by allocating 2,500 MJ per quarter (again based on annual consumption of 10,000 MJ) to the step charges stipulated in the DUOS. The annual DUOS cost also includes fixed charges.

CHART 24 | APT Allgas: Retail bill per annum (incl. GST), DUOS charges and DUOS as proportion of total bill (incl. GST) as of July 2019, 2020, 2021, 2022 and 2023 (based on AGL and Origin's average standing offer, 10,000 MJ per annum)⁴⁷



47. Ibid.

5. Solar offers

There are around 855,000 small scale rooftop solar systems in Queensland.⁴⁸ Many of these households are currently receiving a solar feed in rate (FIT) of 44 cents per exported kWh but as these schemes are closed to new entrants, customers currently looking for solar offers need to assess both the retailers' FIT rates as well as the cost of electricity imported.

This section analyses and compares market offer bills for South East Queensland customers with 1.5 kW and 3 kW systems installed.⁴⁹ As retailers are not required to publish rates for solar products purchased and installed through them, this analysis only examines electricity offers available to customers independently of solar panels and installation.

Methodology and assumptions

To calculate the annual bills for the various solar market offers the following assumptions and methodology have been applied:

- ▲ An annual household consumption of 8,000kWh (including both produced and imported).
- ▲ Calculations have been produced for households with 1.5 kW and 3 kW systems only.
- ▲ For Brisbane households, an annual generation capacity per kW installed of 1.736 MWh and an export rate of 53.4% for 3 kW systems and 24.6% for 1.5 kW systems.
- ▲ For rural households, an annual generation capacity per kW installed of 1.857 MWh and an export rate of 56.4% for 3 kW systems and 29.5% for 1.5 kW systems.
- ▲ Only FIT rates available to new customers have been included. Retailer funded FIT rates have been applied as per offer.
- ▲ For tariffs with controlled load, 15% of the total load has been allocated to the off-peak rate.
- ▲ A flat annual consumption has been assumed.
- ▲ The annual bills have been based on quarterly bill calculations and all step increases have been applied as quarterly thresholds (including when the retail offer refers to daily or monthly thresholds). Daily fixed charges have been multiplied by 91 to calculate the quarterly amount.

It is becoming increasingly common that retailers offer a relatively high FIT rate for a set amount of kWh exported each day and a much lower FIT rate for export beyond that. Red Energy, Energy Australia, Origin, GloBird, Energy Locals and AGL all apply a daily export threshold for their maximum FIT rate. In the case of Red Energy, only the first 5 kWh exported each day will attract a higher FIT. As of July 2023, the average FIT rate (for initial export below any threshold applied) is 8.6 c/kWh compared to 6.4 c/kWh one year ago (July 2022).⁵⁰

48. Small scale is defined as systems up to 100 kW. Clean Energy Council, Clean Energy Australia Report 2022, 76

49. We note that these systems are small compared to the size of the typical systems that are currently being installed. However, as a key objective of the Tariff-Tracker is to compare developments over time, we continue to base the analysis on 3 kW and 1.5 kW systems.

50. Note that the averages are based on fewer retailers in July 2022 compared to July 2023

TABLE 6 | Retailers' FIT rates July 2023

Retailer	Offer	1 st FIT rate (c/kWh)	Threshold	2 nd FIT rate (c/kWh)
Red Energy	Solar Saver	16	5 kWh/day	8
EnergyAustralia	Solar Max	15	15 kWh/day	6.6
OVO Energy	The Solar Plan	14		
Origin Energy	Solar Boost	12	14 kWh/day	5
GloBird Energy	SolarPlus	11	10 kWh/day	5
Energy Locals	Online Member	10.7	10 kWh/day	6
AGL	Solar Savers	10	14 kWh/day	5
Alinta Energy	Home Deal	8		
Simply Energy	Solar	7		
CovaU	Freedom	5.5		
Diamond Energy	Renewable Saver	5.2		
Powershop	Carbon neutral	5		
Kogan Energy	Free Kogan First	5		
Dodo	Market Offer	5		
Momentum Energy	Suit Yourself	4.5		
Nectr	100% Clean	3.85		

Chart 25 below compares annual retail bills for solar customers in Brisbane with 3 kW and 1.5 kW installed.⁵¹ It shows that AGL, Diamond Energy, Simply Energy and Momentum's offers produce annual bills above the average for both 3 kW and 1.5 kW systems. Brisbane solar customers with 3 kW systems (and this consumption level) would be \$435 per annum better off on Energy Locals' offer compared to Momentum's offer. Customers with a 1.5 kW system installed may save \$430 per annum if they switched from Simply Energy to Nectr's offer.

The average annual bill is approximately \$1,915 for households with 3 kW systems and \$2,255 for households with 1.5 kW systems installed. This means that the average annual bill is \$910 less for solar households with 3 kW systems installed compared to non-solar households.⁵² Compared to last year, the average market offer for solar customers (3 kW systems) has increased by approximately \$50 or 3%.

51. We note that these systems are small compared to the size of the typical systems that are currently being installed. However, as a key objective of the Tariff-Tracker is to compare developments over time, we continue to base the analysis on 3 kW and 1.5 kW systems.

52. For non-solar households, the average market offer bill (including pay on time discounts) is \$2,822 See section 2.1.

CHART 25 | Annual bills including discounts and FIT credits for Brisbane customers with 3 kW and 1.5 kW solar systems. Electricity offers post July 2023 as annual bills, Tariff 11, 8,000kWh (GST incl).⁵³

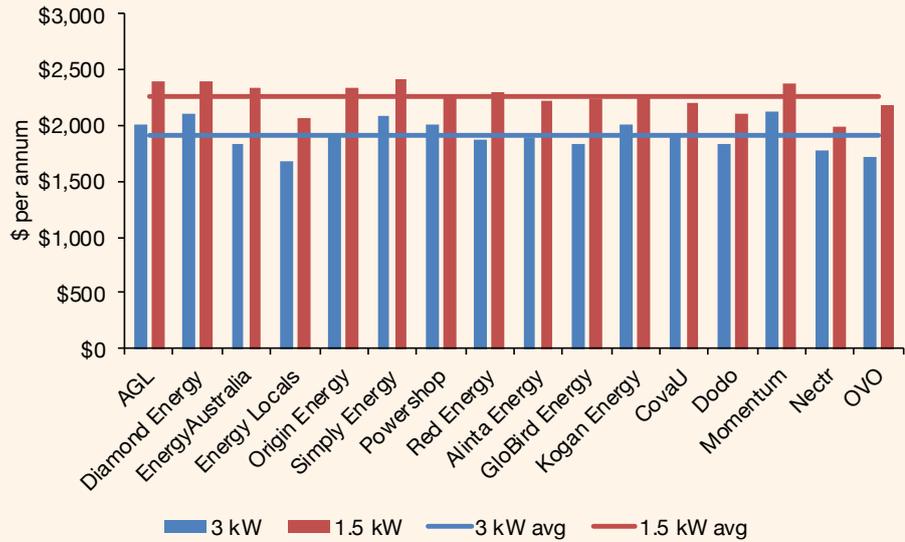


Figure 4 below shows estimated annual bills for solar market offers post discounts ranked from the lowest annual bill to the highest.⁵⁴

FIGURE 4 | Lowest to highest annual bills (incl GST) for solar market offers post July 2023, including discounts, pay on time discounts and Feed-in-tariff – Metropolitan households with 3 kW solar systems, consuming 8,000kWh per annum (including generated and imported electricity), Tariff 11

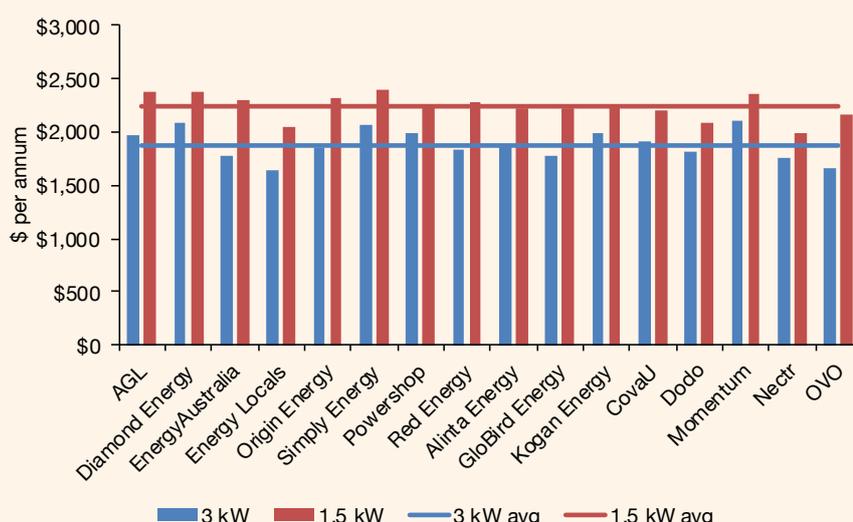
 Energy Locals	\$1,683	 Red Energy	\$1,864	 Kogan Energy	\$2,017
 OVO	\$1,716	 Alinta Energy	\$1,898	 Simply Energy	\$2,089
 Nectr	\$1,773	 Origin Energy	\$1,906	 Diamond Energy	\$2,102
 GloBird Energy	\$1,829	 CovaU	\$1,938	 Momentum	\$2,119
 EnergyAustralia	\$1,830	 AGL	\$2,007		
 Dodo	\$1,840	 Powershop	\$2,017		

Homes outside Brisbane’s metropolitan area will typically have less overshadowing and therefore a higher generation capacity and export rate. Chart 27 compares annual retail bills for solar customers in non-metropolitan Queensland with 3 kW and 1.5 kW installed. It shows that the annual bills for solar customers are somewhat lower in non-metropolitan areas but the same retailers produce higher than average bills and the price-spread is similar to that in metropolitan areas (see chart 26 above).

53. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.

54. These bill estimates are based on rates published on the retailers’ websites on the 7th of August 2023 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

CHART 26 | Annual bills including discounts and FIT credits for regional and rural customers with 3 kW and 1.5 kW solar systems. Electricity offers post July 2023 as annual bills, Tariff 11, 8,000kWh (GST incl).⁵⁵



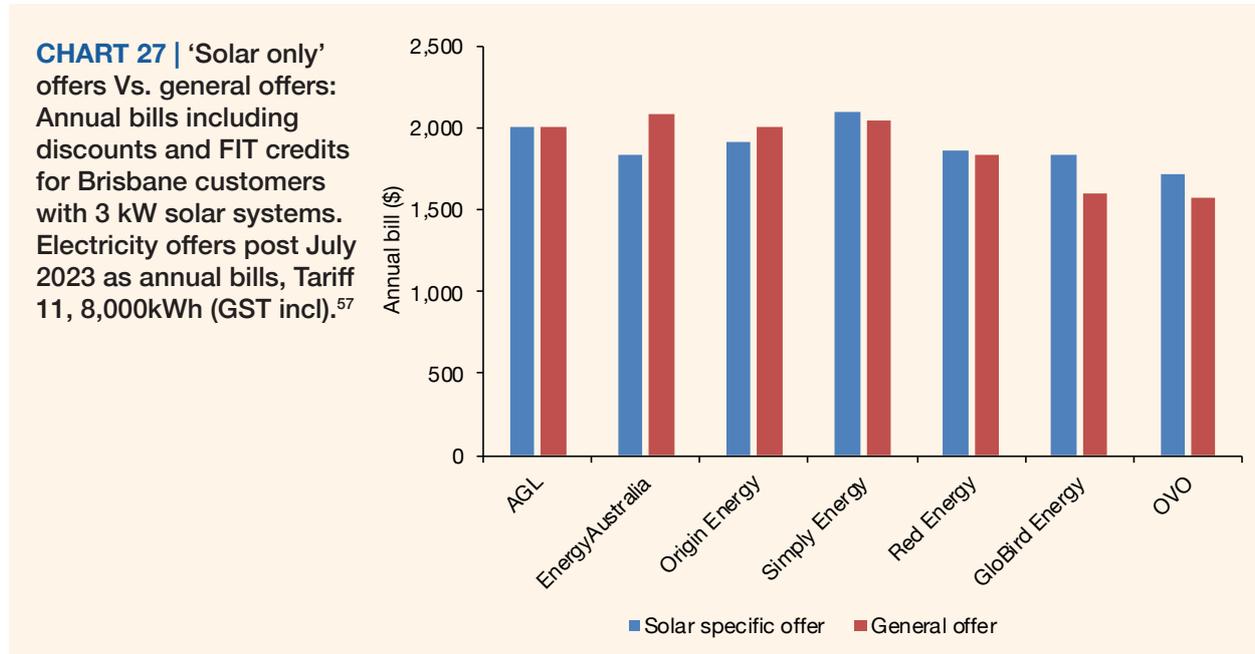
Several retailers are offering products available to solar customers only. However, most of these offers contain higher rates for electricity used compared to their general offers. Table 7 below compares key features of retailers’ ‘solar only’ plans to general plans.

TABLE 7 | Retailers with ‘solar only’ plans Vs. general plans (post July 2023)

Retailer	Offers	FIT rate (export)	Rates for electricity imported	Discounts
Red Energy	Solar Saver	16c (first 5 kWh/day), then 8c	Higher	N/A
	Living Energy Saver	8c	Lower	N/A
EnergyAustralia	Solar Max	15c (first 15 kWh/day), then 6.6c	Same	N/A
	Flexi Plan	6.6c	Same	N/A
OVO Energy	The Solar Plan	14c	Higher	N/A
	The One Plan	7c	Lower	N/A
Origin Energy	Solar Boost	12c (first 14 kWh/day), then 5c	Higher	N/A
	Go Variable	5c	Lower	N/A
GloBird Energy	SolarPlus	11c (first 10 kWh/day), then 5c	Higher	Same
	GloSave	6c	Lower	Same
AGL	Solar Savers	10c (first 14 kWh/day), then 5c	Higher	N/A
	Value Save	5c	Lower	N/A
Simply Energy	Solar	7c	Same	4% off bill
	Saver	5.5c	Same	No discount

55. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.

In terms of annual bills for Brisbane households with a 3kW system installed, only two of the 'solar only' offers would produce annual bills that are lower than the general offers.⁵⁶ Chart 27 below shows that AGL's two offers produce the same annual bill, Energy Australia and Origin Energy's 'solar only' offers produce lower annual bills and that GloBird, OVO, Simply Energy and Red Energy's solar specific offers produce higher annual bills. In GloBird's case, solar customers would be as much as \$225 better off per annum on the general GloSave product instead of the SolarPlus product.



56. Electricity offers post July 2023 as annual bills, Tariff 11, 8,000kWh (GST incl)

57. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.