

GRANT ACQUITTAL REPORT

October 2015

This Report will be provided to the Board

PROJECT OVERVIEW			
Grant no	AP <u>797</u>	Date of report	<u>28/6/2016</u>
Grant recipient	Cummings Economics		
Project title	CEO Grant – Consumer Engagement Grant		
PROJECT OUTCOMES: <i>outline the project outcomes during the reporting period</i>			
<p>Describe the intended project outcome/s, and whether they were met. Where the outcomes were different from those proposed in the grant application, explain the reasons for the variation</p> <p>The purpose of the CEO Grant was to enable the Far North Queensland Electricity Users Network to provide uninterrupted advocacy during a critical 9 week period from the completion of ECA Grant Number 761 on 25th March 2016 to the commencement of ECA Grant Number 817 on 1st June 2016.</p> <p>The CEO Grant resulted in the successful outcome of uninterrupted advocacy during a period when the Queensland Government entities of the Queensland Competition Authority and the Queensland Productivity Commission were concluding consumer engagement processes with strict timelines. Both processes will have significant short and long term implications for electricity pricing and supply throughout Queensland and hence any interruption to our advocacy would have removed a strong and informed voice.</p>			
PROJECT OUTPUTS: <i>list the main outputs during the reporting period</i>			
<p>Outline the project outputs. Where the outputs were different from those proposed in the grant application, explain the reasons for the variation.</p>			

The CEO Grant enabled the Far North Queensland Electricity Users Network to provide uninterrupted advocacy during a critical 9 week period from 25th March 2016 to 1st June 2016.

The advocacy during this period included:

- actively advocating for a reduction to the exorbitant *draft* regulated retail prices announced by the Queensland Competition Authority on 25th March 2016 and the even higher *final* prices gazetted by the Queensland Competition Authority (QCA) on 31st May 2016. Advocacy involved attendance at the QCA workshop in Cairns, providing commentary in print, tv and radio media throughout Queensland, creating a video and website and launching a Change.org petition to alert consumers throughout regional Queensland to the increases due to commence on 1st July 2016.
- an address to the Queensland Productivity Commission's hearing on the Electricity Pricing Inquiry and the Solar Feed-In Pricing Inquiry in Cairns on 14th April 2016, together with our recommendations in a written submission to the Queensland Productivity Commission's Electricity Pricing Inquiry.
- participation in the AER's Public Forum on the Powerlink Regulatory Proposal for 2017-2022 and a follow up teleconference with Powerlink management responsible for the revenue reset

Due to the time sensitive nature and volume of the work tabled above we did not have the time resources to:

- Progress further on the policy implications of the Daintree Cape Tribulation Electricity Survey. This survey is a first for the NEM and provides valuable information on the challenges and possible solutions into how consumers throughout the NEM can plan a smooth transition to a renewable energy future. Policy implications will be explored and developed over the next 12 months.
- Provide a written submission to the Queensland Productivity Commission's Draft Solar Feed-In Pricing Report.

Please provide an assessment of the project's effectiveness – did the project meet its key success indicators?

Energy Consumers Australia

The project was effective as our advocacy now includes direct high level engagement with the Queensland Government as well as the Queensland Government entities of Ergon Energy, the Queensland Competition Authority and the Queensland Productivity Commission.

Our knowledge of electricity issues has also filled a noticeable void in consumer knowledge throughout regional Queensland and we are now a valuable source of commentary for print, tv and radio media.

Regulated retail prices in regional Queensland cover 97 percent of the geographic area of Queensland. Regulated retail prices in 2016-17 are set to rise by 11.2 percent or more for small businesses and farmers and 2.8 to 4.8 percent for residential customers.

Whilst we have not succeeded in preventing the exorbitant price increases taking effect on 1st July 2016, we now believe that because of the CEO Grant providing uninterrupted advocacy we are in a better position to reduce the prices post 1st July 2016.

Part of our strategy involves strengthening our ties with other Queensland organisations and changing our name to the Queensland Electricity Users Network to reflect that our advocacy affects all of Queensland. However our advocacy will continue to focus on the 97 percent of Queensland that is regional Queensland as regional economies and jobs throughout the NEM are particularly vulnerable in the transition to a renewable energy future.

Do you have any other comments on the project?

We would like to express our gratitude for the CEO Grant. Without the grant we would be unable to continue to advocate for businesses, some of which are now at high risk of closure or reduced production, due to the exorbitant price increases due to take effect on 1st July 2016. The opportunity to advocate for lower electricity prices extends well beyond power bills; lower power bills will protect jobs, strengthen the Queensland economy and reduce the cost of living for all Queenslanders.

Do you have any comments/feedback on the Panel's procedures?

N/A

Please list any attachments to the report (reports, submissions, media releases, etc) – please identify any that should not be posted on the website.

Please refer to our new QEUN website www.qeun.com.au, video and Change.org petition.

PROJECT EXPENDITURE

The Funding Agreement (clause 3.3) requires you to provide a detailed breakdown of the costs and expenses associated with the grant – attach that to this report. (See attached.)