

# Electricity rebate

## Home Energy Emergency Assistance Scheme

### Medical Cooling and Heating Electricity Concession Scheme

## Electricity Life Support Concession Scheme

Department of Employment, Economic  
Development and Innovation

# The facts about electricity costs



### Electricity rebates and concessions

The Queensland Government delivers a range of support to help Queenslanders cope with electricity costs.

Electricity rebates and concessions available include:

- **Electricity rebate**  
a \$230.46\* rebate (per year) for pensioners and seniors
- **Medical Cooling and Heating Electricity Concession Scheme** – a concession for low-income consumers who have specific medical conditions that require frequent use of an air-conditioner to regulate their body temperature
- **Home Energy Emergency Assistance Scheme** assistance for customers experiencing a crisis or unforeseen emergency
- **Electricity Life Support Concession Scheme** a concession for consumers using life support machines.

For information about these rebates and concessions, visit the Department of Communities website at [www.communities.qld.gov.au](http://www.communities.qld.gov.au) or phone 13 QGOV (13 74 68).

The Queensland Government provides \$450 000 over three years to the Consumer Advocacy Program which is delivered by the Queensland Council of Social Service (QCOSS) to ensure the concerns of low-income households and disadvantaged energy customers are heard.

### What will happen in the future?

Queensland has recently released a renewable energy policy to deliver a cleaner energy future. There are also proposed new measures to encourage reductions in greenhouse gas emissions from power stations that use fossil fuels like coal and gas.

These measures and continued development of the networks may influence the future costs of electricity.

\*Figures current from 1 July 2011.

### Did you know?

- Plasma TVs use more than twice as much electricity as conventional TVs.
- Air-conditioners now account for about 25 per cent of Queensland household energy use.
- You can save up to 10 per cent off cooling costs for every one degree that you raise the temperature. Set your air-conditioner to 24 or 25 degrees Celsius in summer.
- Hot water accounts for 30 per cent of energy used in the home.

### What can I do?

Many Queenslanders have saved themselves money by reducing their energy use at home.

- Replace your electric hot water system with a solar hot water system or heat pump and you could be eligible for a \$600 rebate (\$1000 for pensioners and low-income earners). For more about the Queensland Government Solar Hot Water Rebate, visit [www.qld.gov.au/solar](http://www.qld.gov.au/solar) or call 13 GET SOLAR (13 438 76527)
- Under the Solar Bonus Scheme, eligible Queenslanders who have solar panels installed can earn 44c for every kilowatt hour of excess electricity they feed back into the grid. For more information, visit [www.qld.gov.au/solar](http://www.qld.gov.au/solar) or call 13 GET SOLAR (13 438 76527).
- The ClimateSmart Home Service costs just \$50 and delivers a range of products and services that can save you on average up to \$300 on your energy and water bills each year. To book a service, visit [www.climatesmarthome.com](http://www.climatesmarthome.com)

### How do I get more information?

For more information about energy pricing, visit [www.energy.qld.gov.au](http://www.energy.qld.gov.au) or call the Department of Employment, Economic Development and Innovation on 13 25 23.

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Electricity is essential to our Queensland lifestyle—it powers our homes, and keeps our businesses and industry running.

Population growth, an ever-increasing demand for energy and the need to expand and upgrade Queensland's electricity infrastructure are among the many factors that impact on the cost of electricity.



## What am I paying for?

For customers not on a market contract with an electricity retailer, electricity use is charged at regulated prices.

Each year Queensland's independent economic regulator, the Queensland Competition Authority, reviews the regulated prices and determines new rates.

Electricity prices include four costs:



### Generation costs

creating electricity at a power station



### Transmission costs

building and maintaining the state's extensive high voltage powerline infrastructure



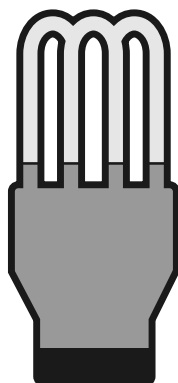
### Distribution costs

building and maintaining the state's network of poles and wires that deliver electricity to homes and businesses



### Retail costs

connecting customers, billing and managing accounts.



## Electricity supply costs

$$\begin{aligned} &= \\ &42\% \\ &\text{Generation costs} \\ &+ \\ &49\% \\ &\text{Transmission + distribution costs} \\ &= \text{network costs} \\ &+ \\ &9\% \\ &\text{Retail costs} \end{aligned}$$

## Electricity costs affect prices

It's important that prices move in line with the cost of supply—we can't afford to pay less for our electricity than it costs to deliver.

Factors that increase electricity costs and prices in Queensland include:

- investing in electricity generation, transmission and distribution infrastructure—driven by population growth and people using high volumes of electricity at the same time (peak demand)
- rising cost of fuels used to make electricity—coal and gas
- cost of maintaining and replacing assets such as power stations and transmission infrastructure
- restoring the electricity network after severe weather events.

All these factors have a direct impact on the price we pay for electricity.

Consumers expect reliable electricity supply and this comes at a cost. Some \$15.6 billion needs to be spent on expanding and maintaining the distribution network from 2010 to 2015. The costs are shared across every electricity bill.

## We pay for what we use

Don't forget we pay for what we use. We are buying more energy-hungry appliances that consume more electricity and this also increases our electricity bills.

Average household electricity use in Queensland increased by 39 per cent between 1998 and 2009.

## Wherever we live, we pay the same

Queensland is a large state, with vast distances between our cities and towns, and extensive rural areas. This raises costs in regional Queensland due to:

- the cost of building infrastructure to transport electricity over long distances
- fewer customers to share the cost.

## Regional subsidies

The Queensland Government ensures that regional Queenslanders are protected from the full cost of supply by subsidising their electricity bills. This subsidy is expected to total around \$400 million in 2010-11.

This means that electricity customers throughout regional Queensland pay the same prices for their electricity as customers in South East Queensland.