



Media release

Minister for Natural Resources, Mines and Energy
The Honourable Dr Anthony Lynham

Regional businesses win one-year extension to switch power tariffs

The Palaszczuk Government has given regional farmers and businesses an extra year to move to the standard electricity tariffs that the rest of the state's businesses pay.

Energy Minister Dr Anthony Lynham today announced that the 30,000-plus customers on a collection of obsolete and transitional electricity tariffs, some of which are more than 25 years old, would have until 30 June 2021 to move.

But he urged them all to call the special Ergon Energy hotline 1300 554 029, as there are thousands of customers that could already be saving money if they switched to standard business tariffs now.

"We've listened to our regional businesses and farmers and we've given them another year to make the move that's been underway now for six years," he said.

"For some of them, that's going to mean significant savings this year.

"It will give farmers and regional businesses extra time to look at options for saving power, such as how and when they use electricity, or installing more efficient irrigation pumps, refrigeration systems, LED lighting or solar panels."

"It also will give businesses more time to understand the package of tariff options Ergon Energy has been working on with these regional customers now for some time.

"I strongly encourage all regional businesses on transitional or obsolete tariffs to contact Ergon Energy to check what the right tariff is for their particular circumstances."

The independent Queensland Competition Authority started phasing out obsolete and transitional regional retail tariffs in 2012. From July 1, 2019, no new customers will be able to sign up for them.

The seven tariffs date back years, some of them back to pre-1993, and are not based on the cost of supplying electricity through the network.

Dr Lynham said Ergon Energy and his Department of Natural Resources, Mines and Energy had been working closely with farmers and businesses to help them transition to tariffs that best meet their needs.

"We've invested \$30 million across a range of programs and initiatives to help business adopt energy efficiency measures and reduce power costs," he said.

"We understand working out complex electricity tariff structures is not core business for farmers or small businesses.

“Extending the deadline will give them more time to make the most informed decision.”

Today’s decision follows on the heels of regional electricity prices falling two years in a row.

Typical regional power prices fell this year and will fall again from 1 July, meaning all up over two years a typical small business will have saved \$230 and a typical household, \$82.

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