

Transparency

In the Delegation by the Honourable Geoff Wilson dated 16th March 2007 in Attachment B, P6 it stated that reasonable transparency should be enabled so that any interested party should be able to undertake reasonable estimation of future increases in notified prices and that the index does truly reflect the costs of supply and if this is the case, the outcome should support government objectives.

I can only assume the public, on hearing of the above, and that measures were in place forever regarding, iron clad and permanent integrity, they would have been overjoyed and fully trusting the government from then on.

Then there was a change to the ministry and in his delegation of 22.9.2011, P2 of 4, he directs that each tariff be presented as a bundled price and in his final sentence he again directs in brackets that there must be a bundled price and I think it still stands today and with the change to an LNP Government, Mr McArdle also used the term. Now a bundled price is hardly transparent and I would like to see an explanation of the reason for this change as a bundled price is nothing like a fully itemised price to the last cent and with the constant changing in our electricity accounts our desire for an occasional fully itemised invoice is not unreasonable. I am entitled to know what and why I am paying for.

I have requested at a QCA public meeting to have the bundled price fully explained when the agenda for the meeting was being formed and it was the only request refused out of subjects put forward. I would like the QCA to have equal "consideration" for the consumer as they do for the retailer.

This electricity debacle and disaster has its clichés, "competition" is one. "Competition" is a red herring and garbage. I have been paying headroom & CARC since 2007 to enhance "competition" which will reduce prices and have

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seen nothing positive regarding the price reductions as promised. My retailer sends me "Don't knock stickers" to discourage other retailers from calling and I hear other retailers are doing the same. So they are no longer maintaining the "true spirit for competition". The public is sick of the misrepresentations of "competition" and any agreement to reduce your costs to get you as their customer only lasts a short time and when we end up with many disappointed and cynical customers who will never take the bait again, the TV Channels showed the specialised training given to their sales persons.

So change "competition" to "fair trading", difficult as it may be. I hope our regulators will think like the ethical regulators of other jurisdictions and be respected as they are and this applies also to the government ministers who delegate to the QCA.

The Retailers

Their mark up of 5% + is justified by the risks they take? I see no risks on my behalf or how they benefit me.

My house once connected to the system is part of the system. I take power from the system as I need it, the retailer has no responsibility for my supply. Talk of risk is rubbish. The retailer bills me on behalf of the generation section for the power used up to 90 odd days previous and the system we had before 2007 was far better than what we have today and I would prefer to return to it.

We got along for many years without retailers (especially to ones now inflicted upon us) there were very few complaints about electricity, people were satisfied.

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Now the electric power retailer is a retailer like no other retailer because he has **nothing** to do with the supply of power. Where else is a similar situation where a retailer does not have to store, shift or display his product?

He only receives the meter reading. Does nothing to obtain it. All is done for him. He processes it to obtain a cost of electrical energy used over a 92 day period **that has passed**. Old meters are reliable. (regarding the new ones, I have a photo of one being destroyed by over heating)

An invoice requesting payment by a certain date is sent to the consumer. He pays the amount stated in full to the retailer and the retailer pays what is owing to the generator and the remaining residue CARC, headroom, SBS and other strange financial amounts approved by our objectionable QCA are distributed to where ever. The retailer does very little, but it's costs are near about 21% of our power bill. Instead of the customer paying the power bill to the retailer we could easily just pay the power provider (generation) as we did before 2007. Where are the risks for the retailer that justifies the 5% retail mark up, headroom, CARC and what ever else is included in the bundled price?

Headroom

Back towards 2007 headroom was generously given to the poor retailers. They were expected to generate "competition" the only way to do this was to reduce prices. This reduced the retail mark up. They cried to the QCA and of course were granted headroom 5% + on top of the retail mark up. It was bestowed on special conditions that may have been adhered to? I doubt it.

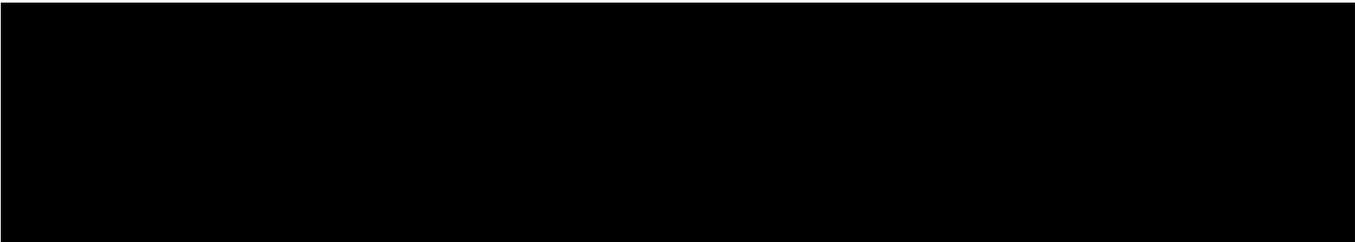
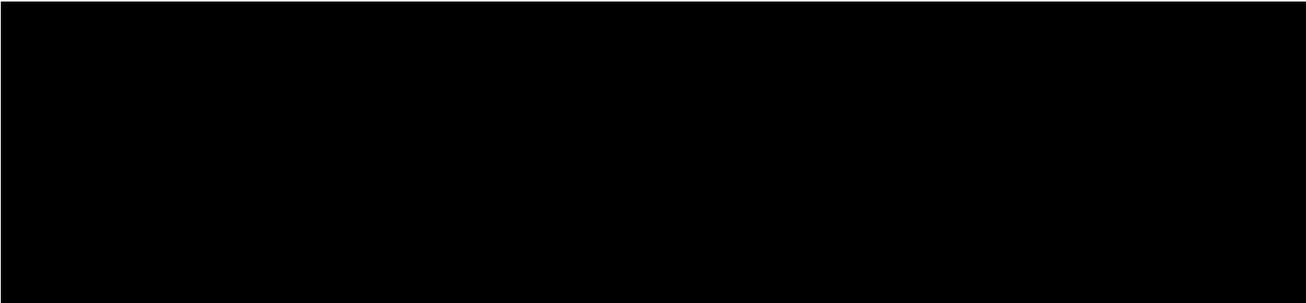
It has been described as a premium above the required retail margin that provides additional return to retailers.

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The retailers are generously given "headroom" by the benevolent QCA as an additional return to the retailers. So retailers are now getting more money from us, the power consumers. This will attract more greedy people to become retailers and this will create more competition. This thinking is unique and sickening...QCA, go away!

CARC

The QCA regulator has kindly allowed the retailers request for CARC. CARC being Customer Acquisition & Retention Cost, more meaningless rubbish meant to impress. I doubt if any court would find "Consideration" existed with his consumer money extraction.



In short CARC is rubbish. At QCA meetings there was no indication of competition in fact it was the opposite re call centres, I am not impressed. Organisations such as QCASS and "Old Consumers Association" continually mention the total lack of reason for CARC and headroom and put forward sound reasoning for their opinions. There are other jurisdictions that will not allow CARC or headroom but the strange thinking QCA thinks differently.

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The 'poles and wires' being the major cost with electricity may need looking at. A pole and cross arm is expected to last 50 years. We all know of the poles and wires Mr Tinkler had to install himself. The agreement between Tinkler and the power supplier would be interesting. I am sure the electricity supplier demanded the best part of the deal.

In any housing development the supply wires are run underground by the developer eventually paid for by the population of the area. The service wire where you were once given 30 metres of wire free, the house holder now provides that, consider also the transformers. Things are not like they were.

They are going for gas turbines. There is no "gas reservation policy" like the other 13 gas exporting countries, we have "Swanbank E", a gas & steam power generator. Now 47% efficient, sounds good until, 3 year over haul costs, the first one at \$53,000,000.00, the second one at \$40,000,000.00 plus, the third at 9 years \$40,000,000.00, only half the co2 of coal though. Sounds like very poor planning!

Some of the people responsible for this incompetent mess are now on generous superannuation pensions for life, paid for by present day and future tax payers.

We could get rid of the retail charges.

Fully explain the bundle pricing.

Reorganise our silly over generous SBS like other states did. Pollies, admit your stupid mistakes, you can't keep billing consumers like you are. We all want to see what and why we are paying in our electricity bills down to the last cent. It is over due!

I could write much more, this is just the tip of the iceberg of dissatisfaction.

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The following is taken from QCA prints and I see this as objectionable sarcasm.

The bundled price is cost reflective	An itemised account does not provide good price signals
The bundled price has good price signals that reflect costs	Would be unnecessarily costly and complex
Retailers want to bundle network costs and retail costs in their bills	Retailers cost of upgrading their billing systems
Bundled price ensures price stability	An itemised account would reduce jurisdictional consistency
Bundled price shows all better	An itemised price would cause time delays to implement extra costs and would take 6 months
Bundled price ensures price stability and predictability	Would penalise retailers who make mistakes
	Confusion amongst customers Trouble re the CSO
	What options for educating customers