27 Sept. 2017

To the ACCC energy enquiry. Att. [redacted]

I have previously submitted to the commission an analysis outlining the creative accounting of demand charges by Ergon in Nth. QLD. Below is a comparison for a local hotel with AGL.

Their bill breakdown is as follows: Total Charge for the month= $9,371.35. (Total Kwh. 27,893.8)

Elec. Charge= $4,104.02. Demand and Supply= $5,276.33. Power was previously always sold by Kwh, as petrol is sold by the litre. Therefore if you divide the total Kwh into the total bill you get a true Kwh rate of .336c. But it is avg. over peak & off peak on the bill @.192c per Kwh. This is now the only portion of the bill that solar can reduce.

We have done a 27Kw solar proposal and the result is a saving of $9,500 per year. But if the same proposal was worked on the flat rate, .336c (which is what they are actually selling it for) The same size system would save the client $16,556.40 per year. As you see they have used creative accounting to restructure the bill format to maintain their profit margin and make solar a less attractive option.

I refer this to The Scope of Enquiry articles 1,2,4,5&6. Surely customers should have the option of returning to the old flat rate tariffs of 20 & 22 large but they are being phased out by July 1st. 2020. Considering these tariffs worked for many years previously but are being manipulated to suit the retailers. Also what will happen to customers that already have solar on these tariffs when they are transitioned ?

Yours Faithfully,

Noel Doherty.