



Minister for Main Roads, Road Safety and Ports  
Minister for Energy and Water Supply

Your Ref: 10.4 Petitions

12 OCT 2015

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Mr Neil Laurie  
The Clerk of the Parliament  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Mr Laurie

I refer to your letter of 16 September 2015 enclosing a copy of Petition No. 2446-15 lodged in the Queensland Legislative Assembly.

The Petition, signed by 118 residents of Toowoomba and surrounding areas, draws to the attention of the House what the Petitioners consider to believe is an excessive supply charge for low users of reticulated AGL gas. For this reason, the Petitioners ask the House to make provision for increasing the gas rebate to match the electricity rebate.

I understand for low volume users of reticulated gas, fixed supply charges can represent a higher proportion of their bill.

The Queensland Government does not have a role in the regulation of reticulated gas prices. Gas supply charges are regulated by the Australian Energy Regulator (AER), and reflect the costs of supply of natural gas, including the ongoing maintenance and provision of gas pipeline infrastructure. The AER also oversees the economic regulation of gas pipelines, and encourages gas transmission businesses to make efficient investments and provide reliable services to gas consumers. Retailers, including AGL in the Toowoomba area, build the fixed charges into the retail prices they charge customers.

To assist eligible customers to meet this living cost, the Queensland Government provides energy concessions, including gas and electricity rebates. The Reticulated Natural Gas Rebate provides support for eligible pensioners and seniors and has risen from \$67.61 to \$68.56 (GST included) per year from 1 July 2015. Information about rebates, concessions and assistance more generally are available on the Department of Communities, Child Safety and Disability Services' website at: [www.qld.gov.au/community/cost-of-living-support/concessions](http://www.qld.gov.au/community/cost-of-living-support/concessions) or by telephone 13 74 68.

The Queensland Government is committed to ensuring concessions remain fully funded despite the Australian Government terminating National Partnership funding for Pensioners and Seniors Card holder concessions, at a cost to Queensland of \$56 million in 2015-16 and \$223.2 million over four years.

The Queensland Government recognises the importance of targeting concessions to assist the most vulnerable Queensland energy customers. The recently established Queensland Productivity Commission (the QPC) is examining Queensland's energy concessions framework as part of its public inquiry into electricity prices. I encourage interested stakeholders, including the Petitioners, to participate in the QPC's reviews as they are progressed. More information about the QPC's inquiries and consultation processes is available at [www.qpc.qld.gov.au](http://www.qpc.qld.gov.au).

I thank the Petitioners for raising their concerns with me and I trust this information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Bailey', with a long horizontal flourish extending to the right.

Mark Bailey MP  
**Minister for Main Roads, Road Safety and Ports**  
**Minister for Energy and Water Supply**