

SEQ retail electricity market in 2023-24

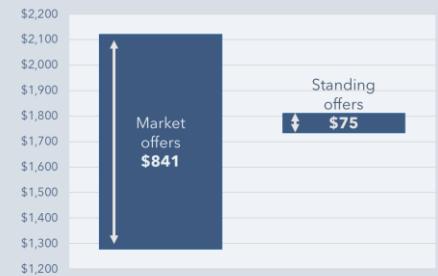
QCA market monitoring results for residential customers

Customers could choose from a range of plans

Prices increased in 2023-24, which resulted in higher bills for the average customer in south-east Queensland (SEQ). Customers could still choose from a variety of plans of different retailers. Prices varied substantially between retailers and often even between different plans of the same retailer (see graph on the right).

Shopping around is important for customers in SEQ so they can benefit from competition and save money. We advise customers to regularly check for a better plan on [Energy Made Easy](#) – a free Australian Government energy price comparison service.

Difference between lowest and highest bills (residential flat rate, June quarter of 2024)*



* Annual bills for a typical SEQ customer based on the plans published on Energy Made Easy.

Prices increased



Most retailers increased the prices of their market offers in 2023-24, although not to the same extent as in 2022-23. For the typical residential customer in SEQ on the tariffs and tariff combinations we monitor, the average lowest market offer bill increased by between 0.9% and 2.0% from the June quarter of 2023 to the June quarter of 2024.

The Australian Energy Regulator sets a default market offer (DMO) before the start of each financial year, which acts as a cap on retailers' standing offers. The DMO for 2023-24 was substantially higher than it was in 2022-23, and standing offer bills increased by between 19.8% and 20.6% for residential customers.

The number of retailers in the market decreased

Eight fewer retailers had plans available for residential customers in 2023-24 than in 2022-23, but more retailers provided market offers than in 2022-23.



Discounts and incentives could lower bills

We found that in the June quarter of 2024:



- more retailers attached discounts and incentives than a year earlier
- the shift from conditional to guaranteed discounts was still evident
- financial incentives (e.g. sign-up credits or bill/account credits) and non-financial incentives (e.g. carbon offsets) were offered by more retailers than the year before.

A plan with a discount or incentive will not necessarily lead to a lower bill for every customer. Bills depend on various aspects, including the supply and usage charges of a plan and the consumption of a customer.

Conditions and eligibility criteria may be attached to the plan and/or the discounts and incentives (e.g. being a new customer, signing up online, paying by direct debit, or receiving bills by email).

Fees could increase the bill

Market offers

Most retailers attached retail fees to at least some of their market offers, such as fees for:

- payments by credit or debit card, or BPay, or at Australia Post
- paper bills
- late payments
- dishonoured cheque or direct debit payments
- account establishment.



Standing offers

By law, retailers are only allowed to attach 3 types of retail fees to standing offers in SEQ:

- historical billing data fee for data that is more than 2 years old (if requested by a customer)
- their own administration fee for a dishonoured payment
- a financial institution's fee for a dishonoured payment.



The market remained competitive

The outcomes we observed in the SEQ retail electricity market in 2023–24 were broadly consistent with a competitive market. We found that:

- retailers continued to compete on price, including through discounts and/or financial incentives
- switching between retailers continued at a similar level to 2022–23, but more customers switched to smaller retailers
- market concentration decreased
- fewer retailers were in the market than in 2022–23, but more retailers had market offers available.



Some customers might not benefit from competition

Some customers – including customers experiencing vulnerability – may find it difficult to navigate the market, compare plans and switch when a better plan becomes available.

We found that a number of residential market offer customers were on a legacy market offer that was more expensive than the DMO. Some of these legacy offers have attributes attached that may be desirable such as a high feed-in tariff; however, many customers could lower their bills by switching to one of the new offers available in the market.

But help is available for customers. The Queensland Government's [website](#) provides information to customers on how to find and compare electricity plans, what energy concessions are available and what to do if customers are having trouble paying their electricity bill.



Advice for customers

If you have not searched for a better deal lately, you could be paying more than you need to. The Australian Government's [Energy Made Easy](#) website is a free, simple way to find a better plan.



We encourage you to regularly check Energy Made Easy to see whether you can find a better deal among all the available plans. There are various retailers and plans to choose from. Active customers are likely to pay less than inactive or disengaged customers.

If you require help with using the Energy Made Easy website to search for plans, please call the AER Infoline on 1300 585 165.

More information

Our SEQ retail electricity market monitoring report for 2023–24 is available on our [market monitoring](#) web page.

