

On behalf of the Chamber of Commerce and Industry Queensland (CCIQ), it is with great pleasure that I enclose a copy of 'An Efficient, Productive and Sustainable Electricity Supply for Queensland'. This blueprint provides a unique business perspective on the design, planning and management of Queensland's energy sector and electricity market and is relevant to this Inquiry.

Electricity pricing has a profound influence on the competitiveness of Queensland businesses and alarmingly this report confirms that the regulated tariff price for electricity in Queensland has risen by an astonishing 64 per cent over the past five years under the current price setting methodology.

The price of electricity either stimulates or suppresses the Queensland economy. In the business communities' view unfortunately the later has occurred. As such, Queensland must strive to keep costs as low as possible in the future to sure up a competitive energy sector both nationally and internationally.

CCIQ believes that the energy sector must deliver greater certainty; operational efficiency; strategic future focused planning and investment; service excellence; and be integrated and harmonised with more energy efficient policies. Most importantly, it must be supportive of continued business and economic growth in Queensland.

CCIQ's energy policy covers three important issues as it relates to the future competitiveness of Queensland businesses:

1. Business community concern at the impact of continued increased electricity prices on Queensland jobs and investment caused through the framework in which energy prices are set;
2. The security and cost of supply in light of emerging economic and environmental challenges, coupled with the need to plan for future infrastructure, a diversified energy mix and low carbon economy; and
3. Identified opportunities and energy efficiency schemes which will reduce demand whilst delivering innovative and productive growth opportunities for the Queensland economy.

The findings in this report clearly indicate that encouraging a more sustainable and competitive energy sector and electricity market in Queensland, will provide a platform for businesses to operate in a more competitive and sustainable environment.

CCIQ encourages you to consider this report. The importance of energy supply to the future growth of Queensland businesses and in turn their capacity to employ and invest is a crucial issue for our State's future.

Yours sincerely
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