

Utility Charges for Electricity and Section 99A of the Manufactured Homes Act

NB: These comments only apply where the Park Owner provides Utilities (e.g. Electricity).

On-supply of electricity to Home Owner by the Park Owner

Currently electricity companies charge a “Service Fee” to cover the Network costs of providing electricity to homes and businesses such as building new and maintaining old infrastructure (e.g. substations and power lines) and fixing faults.

There is no requirement for park owners to upgrade their networks and give the same quality and reliability of supply which all other Queensland home owners receive. The result is residents in some parks only receive a 10 amp service which is insufficient.

The current Service Fee is 91.755 cents/day, \$27.91/ month, \$334.91/year, with the current pensioner energy rebate of \$321 per year.

In some parks home owners still pay a “Service Fee” directly to the park owner. This is not passed on to the electricity supplier

The Park owner pays ONE “Service Fee” to their supplier.

The full cost of supply of electricity (including any service fee charge to the park owner) is paid in full by the home owners through their site rent (for common usage) and directly for individual electrical usage.

Also Home owners in on–supply parks are unable to bargain for pricing or solar rebates.

It is at the park owner’s discretion to pass on solar rebates to the home owner. Some parks do, others don’t.

Section 99A

Section 99A of the Manufactured Homes (Residential Parks) Act 2003 was introduced on 1 March 2011 to prevent park owners from charging more for the supply of a utility to residents than the actual cost charged to the park owner by their supply authority.

It dictates that only the actual cost for electricity is passed on to the home owner.

There is no justification for an individual service fee charge by the park owner.

Some park owners have challenged “99A” in court and there is still uncertainty.

National Energy Retail Law (Queensland) Bill 2014

This “Bill” will become law sometime next year and **allows the park owner to add fees or charges to and make a profit** from the on-supply of electricity.

This would not apply **where alternative pricing requirements apply under applicable state or territory legislation**. In our case, park owners would have to comply with Section 99A of the Manufactured Homes (Residential Parks) Act 2003.

Therefore it is imperative section 99A be retained in the Manufactured Homes Act, and also made “fool proof” as it refers to ALL utilities including water and sewage (some authorities are now charging for these). Also it should be fair and equitable for both parties.

This will provide certainty for both park and home owners.

Amendments to include:

- prohibit the making of a profit from the on-supply of a utility
- prohibit any administration or meter reading fees added to the invoice
- disclose the cost of supply from the energy supplier to the park owner
- All concessions or rebates must be applied for by the Park owner and must be applied to the home owner’s account.

Further information to follow when available.