Report on a page

This report summarises the audit results of Queensland's state-owned energy entities. These entities generate, transmit, and distribute most of Queensland's electricity, and provide retail services to regional residential, commercial, and industrial customers.

The entities' financial statements are reliable

The financial statements of the energy entities are reliable and comply with relevant reporting requirements. All energy entities met the legislative deadlines for signing their financial statements.

The energy entities have resolved most deficiencies identified in prior years. We identified a lower number of control deficiencies across the energy sector this year. Most identified issues related to information security, specifically how entities manage and restrict access to their information systems.

A digital transformation program for Energy Queensland has been rescoped

Energy Queensland has rescoped a digital transformation program that it initiated in 2016. Energy Queensland has capitalised technology projects totalling $639 million. In addition to this, it has written off $73.8 million in costs over the past 3 years for components of the program which were not expected to realise benefits from the investment. Energy Queensland is continuing with other digital transformation projects.

Financial results for energy entities varied

In 2024–25, Stanwell, Powerlink, CleanCo, and Ergon Energy made profits, while CS Energy and Energy Queensland incurred losses. The key drivers of the financial results include higher tariffs charged to customers and an increase in average wholesale energy prices. The extension of the operating lives of the coal power stations has increased the value of power stations, reversing previously recognised losses. The increase in revenue was offset by higher energy expenses, employee costs, and losses from contracts that manage fluctuations in wholesale energy prices.

Transmission and distribution entities continue to expand their networks by constructing and upgrading their assets. Asset construction and upgrades are mainly financed by borrowings from Queensland Treasury Corporation, equity injections from the Queensland Government, and cash generated by entities.

Current energy sector developments

In April 2025, the Australian Energy Regulator (AER) issued a determination that capped the revenue Energy Queensland can recover from its customers over the next 5 years at $17,575 million. This represents an increase in revenue of $5,448 million from the previous 5-year determination. The AER estimated that this will result in Queensland residential and small business electricity bills increasing by around $48 and $97 a year, respectively.

Energy sector entities will prepare their first climate-related financial disclosures in 2025–26. We will issue limited assurance review opinions on these disclosures in August 2026.

The Queensland Government released its *Energy Roadmap* on 10 October 2025. The *Energy Roadmap* indicates that the coal assets will continue operating as long as needed in Queensland's energy system. Any additional extension of useful lives of these assets will affect their future values.