

# INDEPENDENT COMPETITION AND REGULATORY COMMISSION – STATEMENT OF INTENT

The Independent Competition and Regulatory Commission (the Commission) is a Territory Authority established under the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act). The Commission is constituted under the ICRC Act by one or more standing commissioners and any associated commissioners appointed for particular purposes. Commissioners are statutory appointments. The current Commissioner is Senior Commissioner Richard Owens who has direct responsibility for delivery of the outcomes that are foreshadowed in this Statement of Intent.

This Statement of Intent for 2026-27 has been prepared in accordance with Section 61 of the *Financial Management Act 1996*.

The responsible Minister, Mr Chris Steel MLA, was consulted during the preparation of the Statement of Intent.

The Statement of Intent, which focuses on the 2026-27 Budget year, has been developed in the context of a four year forward planning horizon to be incorporated, as far as practicable, into the Independent Competition and Regulatory Commission strategic and business planning processes.

The Independent Competition and Regulatory Commission 2026-27 Statement of Intent has been agreed between:

Richard Owens  
Senior Commissioner

Chris Steel MLA  
Treasurer

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# INDEPENDENT COMPETITION AND REGULATORY COMMISSION

## Purpose

The Commission has responsibilities for a broad range of competition, regulation and consumer protection matters. The Commission is responsible under the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act) for:

- regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries;
- providing advice on competitive neutrality complaints and government-regulated activities, and on other industry-related matters referred to the Commission; and
- arbitrating infrastructure access disputes under the ICRC Act.

The Commission's objectives are set out in sections 7 and 19L of the ICRC Act and section 3 of the *Utilities Act 2000* (Utilities Act). Those objectives are:

- promoting effective competition in the interests of consumers;
- facilitating an appropriate balance between efficiency, environmental and social considerations;
- ensuring non-discriminatory access to monopoly and near-monopoly infrastructure; and
- when making a price direction in a regulated industry, promoting the efficient investment in, and efficient operation and use of regulated services for the long-term interests of consumers in relation to price, quality, safety, reliability and security of the service.

The Utilities Act provides for the licensing of electricity, natural gas, water and sewerage utility services. In meeting its responsibilities under this legislation, the Commission's objectives are to:

- encourage the provision of safe, reliable, efficient and high quality utility services at reasonable prices;
- minimise the potential for misuse of monopoly power and promote competition in the provision of utility services;
- encourage long term investment, growth and employment in utility services; and
- protect the interests of consumers.

## Nature and Scope of Activities

### Activities to Meet Legislated Objectives

#### *Retail Electricity Pricing Arrangements*

From 1 July 2012, some responsibilities for regulating retail electricity were transferred to the Australian Energy Regulator (AER) but responsibility for technical regulation, complaints handling, and retail electricity pricing remained with state and territory governments. In line with ACT government policy and the regulated industry provisions in the ICRC Act, the Commission determines retail prices for the supply of electricity to small customers on standard retail contracts who consume less than 100MWh of electricity over any period of 12 consecutive months.

On 1 June 2023, the Commission received the terms of reference from the ACT Government to determine a price direction for standing offer prices for the supply of electricity by ActewAGL Retail (ActewAGL) to small customers for the period 1 July 2024 to 30 June 2027.

In determining the price direction, the Commission engaged in broad consultation with the public, the sector and other interested parties. The Commission published issues and draft papers seeking submissions, undertook a public survey and held a public forum.

On 23 May 2024, the Commission released its final decision and price direction on the regulated retail electricity prices to apply from 1 July 2024 to 30 June 2027.

In accordance with the price direction, on 25 May 2026 the Commission announced the maximum percentage change of the prices for regulated retail electricity prices in 2026-27.

#### *Water and Sewerage Services Pricing Arrangements*

As a regulated industry under the ICRC Act, prices for water and sewerage services in the ACT are determined by the Commission.

On 10 December 2021 the Commission received an industry reference to determine a price direction for water and sewerage services for 1 July 2023 to 30 June 2028. The Commission released its final report and price direction 2023-28 for water and sewerage services on 1 May 2023.

In accordance with the price direction, on 2 June 2026 the Commission announced the annual price adjustment with an allowed increase of the prices for water and sewerage services in 2026-27.

On 5 November 2024 the Commission announced reviews of the Water and Sewerage Capital Contribution Code, including charges by Icon Water for developers, as well as a sewerage and trade waste charging. The Capital Contribution Code was finalised on 1 September 2025, while an issues paper was released for the Sewerage Tariff and Liquid Trade Waste review on 6 November 2025. The Commission will progress this work program during the current regulatory period so that any changes can be incorporated into the next price review.

## ***Utilities Regulatory Regime***

The Commission has a statutory responsibility to ensure utilities licensed in the Territory comply with their obligations under the Utilities Act, licence conditions, and industry codes. Collectively these give power to the objectives under the ICRC and Utilities Acts for the provision of safe, reliable, efficient and high-quality utility services while protecting the long-term interests of consumers. The ACT licensing regime applies to electricity generation, electricity and gas transmission, distribution and connection services and water and sewerage services. The Commission assesses licence applications, maintains the licensing regime, and monitors and reports on licensed utilities' compliance with licence conditions. On 6 October 2023 the Commission determined new application fees attached to utility licence applications.

The Commission regularly reviews and updates utility licences, codes and guidelines to ensure they remain appropriate, considering current and emerging consumer issues and utility industry developments

- In February 2021 the Commission updated the utility licence terms and conditions to improve clarity, streamline reporting requirements, and reflect changes in the regulatory framework. The update reduces regulatory burden and ensures the regulatory regime remains current and continues to meet the objectives of the Utilities Act.
- In October 2024 the commission updated the licence application package to reflect changes in the energy market and updated regulatory framework.
- In March 2025 Icon Water's licence was varied to reflect the change in regulatory framework regarding firefighting standards and the Water Metering Code following the introduction of the *Utilities (Technical Regulation) (Water and Sewerage Code) Approval 2024*.
- In June 2026 the Commission commenced a review of the Consumer Protection Code considering whether protections are appropriate and meaningful, whether the Code is accessible, clear, and enforceable; and manage overlaps with the national regulatory framework.

The Commission monitors compliance of each licensed utility with its regulatory obligations through a Utility Licence Annual Report. Each utility is required to report on the exercise of its functions under the Utilities Act; and compliance with the conditions of its licence. The Commission assesses the material for compliance with the relevant obligations and conditions and the results are set out in the Commission's monitoring report.

Following the 2023 amendment to the Climate Change and Greenhouse Gas Reduction Regulation 2011, the gas distributor must provide an annual report on new gas connections to the Commission as part of its licence conditions. The Commission publishes this information in its annual monitoring report.

The 2024-25 report was released on 18 February 2026 and included reporting on payments made against the Guaranteed Service Levels in the Consumer Protection Code. This report also included a section on the compliance of electricity retailers.

Under the industry code covering capital contributions for water and sewerage infrastructure upgrades, which took effect from 1 January 2018, the Commission reviews the contributions charge and associated infrastructure projects annually. Upon application from Icon Water, the Commission also considers updates to the precinct map. On 2 June 2026 the Commission approved the precinct map updates and the level of the charge.

The Commission determined the ACT Retail Electricity (Transparency and Comparability) Code 2021. The code makes it easier for small businesses and residential customers to compare electricity offers and save money on their bills. The code also requires retailers to provide clear advice when making their offers, which helps protect and inform consumers. The Commission monitors compliance with the code through annual reporting and proactive monitoring.

In May 2024, the ACT Legislative Assembly amended the ICRC Act to provide additional civil enforcement powers to the Commission, with the changes coming into effect in December 2024. Following consultation with industry stakeholders, the Commission published its compliance and enforcement strategy on 10 December 2024, providing guidance to the industry on how the Commission will use these new powers.

### ***Advice to Government on Industry-Related Matters***

The Commission provides advice to the ACT Government on matters related to an industry or to industries in general under terms of reference given under the ICRC Act.

### ***Competition Policy***

The Commission provides advice on competition policy matters as required by the ACT Government under the ICRC Act. The Commission also investigates and reports on competitive neutrality complaints as they are received, consistent with the National Competition Policy Agreements and the ACT Competitive Neutrality Policy.

In the terms of reference for the retail electricity price investigation the ACT Government asked the Commission to ensure the methodology used does not unduly disadvantage those who do not actively engage in the energy market, while balancing the competitiveness of the retail electricity market. In response the Commission assessed the level of competition in the retail electricity market in the ACT historically as well as against national benchmarks. Our assessment is included in the final report, report 5 of 2024.

Following the price determination the Commission has released ACT retail electricity market monitoring reports annually, with the 2025 report released on 4 December 2025.

The Commission also provided advice to the ACT Government in updating its Competitive Neutrality Policy in response to the National Competition Policy revitalisation in 2025-26.

## **Risks**

Effective risk management is essential to achieving the Commission's purpose, satisfying stakeholder expectations, and ensuring compliance with legislation and regulations governing the Commission's operations.

The Commission has developed an organisational risk management plan and a risk register to identify and manage risks across the organisation. The risk register is reviewed and updated regularly. In addition, project-specific plans are developed, monitored and updated during each project. The Commission has identified three main areas of risk for achieving its objectives – operational, organisational and financial.

The Commission has strategies to manage the operational risks arising from the cyclical nature of its work. These include smoothing out, where possible, workload peaks and troughs to create a more stable workload and reduce pressure on staff, given the deadlines associated with the Commission’s decision-making responsibilities. Operational risk is also managed by appropriate training and supervision of staff and adequate internal policies, processes and systems. External risks, such as non-performance under contracts, are managed through careful evaluation of risk factors and implementation of policies and procedures to manage those risks.

The Commission operates a hybrid office arrangement. Over 2025-26, the Commission maintained suitable policies and processes to manage work health and safety risks and has a business continuity plan should these risks escalate. These actions ensured the Commission continued to operate effectively and met all statutory deadlines while protecting the health and safety of its staff and stakeholders.

Organisational risk arises from the complexity of the Commission’s work and its small and specialised staff. The Commission faces the ongoing risk of loss of organisational capacity and corporate knowledge caused by challenges in attracting and retaining staff with the required specialised skills and experience. The Commission has strategies to manage organisational risk, including training and development of staff, provision of an attractive and rewarding working environment, effective records and knowledge management, and business continuity and project planning.

As a largely user-funded organisation, the Commission’s financial risk mainly arises from inadequate cash reserves to meet the Commission’s financial commitments. The Commission has appropriate risk management procedures to identify and manage financial risk, including actively monitoring credit risk in areas such as credit cards and other receivables appropriate to its nature, scale and size.

## **2026-27 Priorities and Next Three Financial Years**

The Commission’s strategic and operational priorities for 2026-27 include:

- undertaking a price investigation into retail electricity supplied to small customers on standard retail contracts for the regulatory period from 1 July 2027 and, in consultation with electricity retailers, the community and other stakeholders, determining prices that meet our objectives as set out in section 7 and 19L of the ICRC Act and section 3 of the Utilities Act;
- overseeing the annual adjustment, including for pass-through events, required by the price determination for regulated water and sewerage services 2023-28;
- commencing a price investigation into water and sewerage services for the regulatory period from 1 July 2028 and, in consultation with Icon Water, the community and other

stakeholders, determining prices that meet our objectives as set out in section 7 and 19L of the ICRC Act and section 3 of the Utilities Act;

- completing the review of the Sewerage Tariffs and Liquid Trade Waste Charging, allowing any recommendations to be incorporated in the price investigation listed above;
- completing the review of the Consumer Protection Code;
- overseeing the regulatory regime established under the Utilities Act, including licensing, industry code development and updates and compliance monitoring and enforcement;
- continue to develop other internal and external guidance to allow the Commission to use its enforcement powers, should they be necessary;
- reporting on utility compliance and performance, benchmarking against the Guaranteed Service Levels defined in the Consumer Protection Code as well as electricity retailers' compliance with the Retail Electricity Code;
- recovering annual utility licence fees and administering the annual energy industry levy;
- responding to any new terms of reference received from the ACT Government for advice on industry-related matters; and
- responding to the Government's requirements for advice on competition policy matters and discharging the Commission's statutory role in competitive neutrality complaints handling.

The strategic and operational issues to be pursued in the following three financial years include:

- completing a price investigation into water and sewerage services for the regulatory period from 1 July 2028 and, in consultation with Icon Water, the community and other stakeholders, determining prices that meet our objectives as set out in the ICRC Act and the Utilities Act;
- overseeing any annual adjustments, including for pass-through events, required by a price determination for retail electricity supplied to small customers on standard retail contracts in accordance with the terms of reference;
- overseeing any annual adjustments, including for pass-through events, required by a price determination for water and sewerage services in accordance with the terms of reference;
- overseeing the regulatory regime established under the Utilities Act, including licensing, amending existing licences to take account of any legislative changes, industry code development and updates, recovering annual utility licence fees, administering the energy levy;
- responding to any terms of reference received from the ACT Government for advice on industry-related matters; and
- responding to the Government's requests for advice on competition policy matters and discharging the Commission's statutory role in competitive neutrality complaints handling.

## Estimated Employment Levels

**Table 1: Estimated Employment Levels**

	2024-25 Actual Outcome <sup>1</sup>	2025-26 Budget <sup>2</sup>	2025-26 Estimated Outcome <sup>1</sup>	2026-27 Budget <sup>2</sup>
<b>Staffing (FTE)</b>	9	10.5	9.7	11

**Note(s):**

1. The 2024-25 actual and 2025-26 estimated outcome are FTE numbers as at 30 June.
2. The 2025-26 and 2026-27 budget are average FTE for the year.

## Key Performance Indicators for 2026-27 to 2029-30

**Table 2: Key Performance Indicators for 2026-2027, 2027-2028 and 2028-2029 to 2029-2030**

Item	Measure 2026-27	Measure 2027-28	Measure 2028-29 to 2029-30
Water and sewerage services pricing	Annual price adjustment.	New price determination and annual price adjustment for regulatory period from 1 July 2028 subject to terms of reference from the ACT Government.	Annual price adjustments subject to terms of reference from the ACT Government.
Retail electricity pricing	New price determination and annual price adjustment for regulatory period from 1 July 2027 subject to terms of reference from the ACT Government	Annual price adjustments subject to terms of reference from the ACT Government.	Annual price adjustments subject to terms of reference from the ACT Government.
Advice on industry-related matters or competition policy issues.	Subject to receipt of references.	Subject to receipt of references.	Subject to receipt of references.
Utilities compliance and performance monitoring	1 report.	1 report.	Annual reports.
Utility licence fees (water and sewerage services, and energy sector utilities not subject to energy industry levy)	Licence fees determination and collection.	Licence fees determination and collection.	Annual licence fee determinations and annual collection of licence fees.
Utility levies (energy sector)	4 determinations.	4 determinations.	4 determinations each year.
Industry code determinations	1 determination.	Determinations as required.	Determinations as required.
Capital Contributions Code (water and sewerage infrastructure upgrades)	1 annual review and 1 approval of precinct map update if required.	1 annual review and 1 approval of precinct map update if required.	1 review for the regulatory period and annual approvals of precinct map update if required.

## Assessment of Performance Against 2025-26 Objectives

**Table 3: Comparison of Estimated Performance at 2025-26 and the Statement of Intent for 2025-26**

<b>Item</b>	<b>Measure</b>	<b>Estimated Performance</b>
Water and sewerage services pricing	Annual price adjustment.	Annual price adjustment.
Retail electricity pricing	Annual price adjustment.	Annual price adjustment.
Advice on industry-related matters or competition policy issues.	Subject to receipt of references.	No references received.
Utilities compliance and performance monitoring	1 report.	1 report.
Utility licence fees (water and sewerage services, and energy sector utilities not subject to energy industry levy)	Licence fees determination and collection.	Licence fees determination and collection.
Utility levies (energy sector)	4 determinations.	4 determinations.
Industry code determinations	1 determination.	1 determination.
Capital Contributions Code (water and sewerage infrastructure upgrades)	1 annual review and 1 approval of precinct map update if required.	1 annual review and 1 approval of precinct map update.

## Changes to Appropriation

**Table 4: Changes to appropriation – Controlled Recurrent Payments (\$'000)**

	2025-26 Estimated Outcome	2026-27 Budget	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
<b>2025-26 Budget</b>	824	474	686	696	696
<b>2026-27 Budget Technical Adjustments</b>					
Energy Industry Levy Appropriation	0	200	147	147	147
<b>2026-27 Budget</b>	<b>824</b>	<b>674</b>	<b>833</b>	<b>843</b>	<b>843</b>

## Monitoring and Reporting

The Commission will satisfy the requirements of the Chief Minister’s Annual Reports Directions. The Commission’s Annual Report will, amongst other things, report against the requirements of this Statement of Intent.

The *Financial Management Act 1996 (FMA)* authorises the Treasurer to obtain financial and other statements from the Commission for a stated period including annual, quarterly and monthly reporting.

## Annual Reporting

As part of preparations for end of year reporting, the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) will advise the dates when the following documents are required by the CMTEDD and the Auditor General's Office.

- Certified financial statements.
- Management discussion and analysis.
- A full and accurate set of audited financial records for the preceding financial year in the form requested.
- Consolidation packs relating to the annual financial statements, draft and final.

## Financial Statements

**Table 5: Independent Competition and Regulatory Commission: Operating Statement (\$'000)**

	2025-26 Budget	2025-26 Estimated Outcome	2026-27 Budget	Var %	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
<b>Income</b>							
Controlled Recurrent Payments	824	824	674	-18	833	843	843
Fees	882	734	615	-16	367	840	840
Sale of Goods and Services from Contracts with Customers	0	71	1 373	#	1 257	0	0
Grants and Contributions Income	507	505	517	2	529	555	542
Interest Revenue	78	105	90	-14	90	90	90
<b>Total Income</b>	<b>2 291</b>	<b>2 239</b>	<b>3 269</b>	<b>46</b>	<b>3 076</b>	<b>2 328</b>	<b>2 315</b>
<b>Expenses</b>							
Employee Expenses	1 958	1 903	2 075	9	2 147	2 200	2 201
Supplies and Services	499	412	766	86	672	433	439
<b>Total Expenses</b>	<b>2 457</b>	<b>2 315</b>	<b>2 841</b>	<b>23</b>	<b>2 819</b>	<b>2 633</b>	<b>2 640</b>
<b>Operating Result</b>	<b>-166</b>	<b>-76</b>	<b>428</b>	<b>663</b>	<b>257</b>	<b>-305</b>	<b>-325</b>
<b>Total Comprehensive Result</b>	<b>-166</b>	<b>-76</b>	<b>428</b>	<b>663</b>	<b>257</b>	<b>-305</b>	<b>-325</b>

**Table 6: Independent Competition and Regulatory Commission: Balance Sheet (\$'000)**

	Budget at 30/6/26	Estimated Outcome at 30/6/26	Budget at 30/6/27	Var %	Estimate at 30/6/28	Estimate at 30/6/29	Estimate at 30/6/30
<b>Current Assets</b>							
Cash and Cash Equivalents	2 393	2 515	2 940	17	3 194	2 886	2 558
Receivables	331	69	88	28	107	126	145
<b>Total Current Assets</b>	<b>2 724</b>	<b>2 584</b>	<b>3 028</b>	<b>17</b>	<b>3 301</b>	<b>3 012</b>	<b>2 703</b>
<b>Non-Current Assets</b>							
<b>Total Non-Current Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>2 724</b>	<b>2 584</b>	<b>3 028</b>	<b>17</b>	<b>3 301</b>	<b>3 012</b>	<b>2 703</b>
<b>Current Liabilities</b>							
Payables	190	74	75	1	76	77	78
Contract Liabilities	220	0	0	-	0	0	0
Employee Benefits	456	589	599	2	609	619	629
<b>Total Current Liabilities</b>	<b>866</b>	<b>663</b>	<b>674</b>	<b>2</b>	<b>685</b>	<b>696</b>	<b>707</b>
<b>Non-Current Liabilities</b>							
Employee Benefits	29	26	31	19	36	41	46
<b>Total Non-Current Liabilities</b>	<b>29</b>	<b>26</b>	<b>31</b>	<b>19</b>	<b>36</b>	<b>41</b>	<b>46</b>
<b>TOTAL LIABILITIES</b>	<b>895</b>	<b>689</b>	<b>705</b>	<b>2</b>	<b>721</b>	<b>737</b>	<b>753</b>
<b>NET ASSETS</b>	<b>1 829</b>	<b>1 895</b>	<b>2 323</b>	<b>23</b>	<b>2 580</b>	<b>2 275</b>	<b>1 950</b>
<b>Equity</b>							
Accumulated Funds	1 829	1 895	2 323	23	2 580	2 275	1 950
<b>TOTAL EQUITY</b>	<b>1 829</b>	<b>1 895</b>	<b>2 323</b>	<b>23</b>	<b>2 580</b>	<b>2 275</b>	<b>1 950</b>

**Table 7: Independent Competition and Regulatory Commission: Statement of Changes in Equity (\$'000)**

	Budget at 30/6/26	Estimated Outcome at 30/6/26	Budget at 30/6/27	Var %	Estimate at 30/6/28	Estimate at 30/6/29	Estimate at 30/6/30
<b>Opening Equity</b>							
Opening Accumulated Funds	1 995	1 971	1 895	-4	2 323	2 580	2 275
<b>Balance at the Start of the Reporting Period</b>	<b>1 995</b>	<b>1 971</b>	<b>1 895</b>	<b>-4</b>	<b>2 323</b>	<b>2 580</b>	<b>2 275</b>
<b>Comprehensive Income</b>							
Operating Result	-166	-76	428	663	257	-305	-325
<b>Total Comprehensive Result</b>	<b>-166</b>	<b>-76</b>	<b>428</b>	<b>663</b>	<b>257</b>	<b>-305</b>	<b>-325</b>
<b>Closing Equity</b>							
Closing Accumulated Funds	1 829	1 895	2 323	23	2 580	2 275	1 950
<b>Balance at the end of the Reporting Period</b>	<b>1 829</b>	<b>1 895</b>	<b>2 323</b>	<b>23</b>	<b>2 580</b>	<b>2 275</b>	<b>1 950</b>

**Table 8: Independent Competition and Regulatory Commission: Cash Flow Statement (\$'000)**

	2025-26 Budget	2025-26 Estimated Outcome	2026-27 Budget	Var %	2027-28 Estimate	2028-29 Estimate	2029-30 Estimate
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Controlled Recurrent Payments	824	824	674	-18	833	843	843
Fees	882	1 013	544	-46	367	840	840
Sale of Goods and Services from Contracts with Customers	0	0	1 444	#	1 257	0	0
Interest Receipts	78	105	90	-14	90	90	90
Goods and Services Tax Input Tax Credits from the Australian Taxation Office	45	45	45	-	45	45	45
Other	485	1 270	1 195	-6	1 207	1 233	1 220
<b>Total Receipts from Operating Activities</b>	<b>2 314</b>	<b>3 257</b>	<b>3 992</b>	<b>23</b>	<b>3 799</b>	<b>3 051</b>	<b>3 038</b>
<b>Payments</b>							
Employee Payments	1 965	1 910	2 083	9	2 155	2 208	2 209
Supplies and Services	518	430	784	82	690	451	457
Other	0	787	700	-11	700	700	700
<b>Total Payments from Operating Activities</b>	<b>2 483</b>	<b>3 127</b>	<b>3 567</b>	<b>14</b>	<b>3 545</b>	<b>3 359</b>	<b>3 366</b>
<b>Net Cash Inflows/(Outflows) from Operating Activities</b>	<b>-169</b>	<b>130</b>	<b>425</b>	<b>227</b>	<b>254</b>	<b>-308</b>	<b>-328</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>-169</b>	<b>130</b>	<b>425</b>	<b>227</b>	<b>254</b>	<b>-308</b>	<b>-328</b>
<b>Cash and Cash Equivalents at the Beginning of the Reporting Period</b>	<b>2 562</b>	<b>2 385</b>	<b>2 515</b>	<b>5</b>	<b>2 940</b>	<b>3 194</b>	<b>2 886</b>
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	<b>2 393</b>	<b>2 515</b>	<b>2 940</b>	<b>17</b>	<b>3 194</b>	<b>2 886</b>	<b>2 558</b>

## Notes to the Controlled Budget Statements

Significant variations are as follows:

### ***Operating Statement***

- controlled recurrent payments: the decrease of \$0.150 million in the 2026-27 Budget from the 2025-26 estimated outcome reflects a reduced energy levy for the year as the commission will not undertake an electricity reset in 2026-27. Instead, the Commission will commence a price investigation into retail electricity supplied to small customers on standard retail contracts for the regulatory period from 1 July 2027, which is recognised in the sales of goods and services from contracts with customers below.
- taxes, licences, fees, and fines: the decrease of \$0.119 million in the 2026-27 Budget from the 2025-26 estimated outcome reflects lower fees as the Commission commences a pricing investigation to determine the regulated prices of water and sewerage services in the regulatory period from 1 July 2028. This activity is recognised in the sales of goods and services from contracts with customers below.
- sale of goods and services from contracts with customers: the increase of \$1.302 million is attributable to the recovery of costs for the investigation into, and price direction determination for, retail electricity supplied to small customers on standard retail contracts for the regulatory period from 1 July 2027. It also includes recovery of costs for commencing the investigation into, and price direction determination for, regulated water and sewerage services for the regulatory period from 1 July 2028.
- supplies and services: the increase of \$0.354 million in the 2026-27 Budget from the 2025-26 estimated outcome is primarily driven by anticipated consultant costs associated with the investigations into, and price direction determinations for, both the retail electricity supplied to small customers on standard retail contracts for the regulatory period from 1 July 2027 and the regulated water and sewerage services for the regulatory period from 1 July 2028.
- operating result: the increase of \$0.504 million in the 2026-27 Budget from the 2025-26 estimated outcome is due to the investigations into, and price direction determinations for, both the retail electricity supplied to small customers on standard retail contracts for the regulatory period from 1 July 2027 and the regulated water and sewerage services for the regulatory period from 1 July 2028.

### ***Balance Sheet, Statement of Changes in Equity and Cash Flow Statement***

Variations in these Statements are explained in the notes above.

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