



MEDIA RELEASE

COMMISSION RELEASES DRAFT REPORT ON RETAIL ELECTRICITY PRICES FOR SMALL CUSTOMERS

The ACT Independent Competition and Regulatory Commission (the Commission) today released its draft report and proposed price direction for regulated retail electricity prices. As a draft report, the document relies on provisional estimates of data, the final value of which will not be known until later in the year. As such, the prices it proposes should be treated as indicative only.

‘The Commission’s draft decision would increase the average price of electricity for small customers on standard retail contracts with ActewAGL Retail by 1.2 per cent from 1 July 2014’, said Senior Commissioner Malcolm Gray.

“For our typical average customer, this translates to an increase of \$23 in their annual bill or about 44 cents a week”, Mr Gray said.

“In current circumstances the Commission takes the view that any change in the price on carbon before 1 July is unlikely”, Mr Gray said. “Our prices for 2014–15 are, therefore, based on assuming the price on carbon remains”.

Mr Gray went on to say, “It is equally clear, however, that the removal of the price on carbon is likely to occur early in 2014–15. We are, therefore, proposing to include a number of flexibility mechanisms in the pricing arrangements to permit the flow through of any change to occur as quickly as possible.”

The Commission estimates that complete removal of the price on carbon, considered in isolation, would reduce retail electricity prices in the ACT by about 12 per cent.

Some of the cost components considered by the Commission in setting prices have risen others have fallen. No component has made a particularly large contribution to the overall result.

The Commission is seeking comment in the form of submissions from interested parties on the draft report and proposed price direction. These documents are available on the Commission’s website at www.icrc.act.gov.au or can be obtained by either contacting the Commission on (02) 6205 0799 or via email at icrc@act.gov.au. The closing date for submissions is Friday, 28 March 2014. Submissions can be sent to the Commission by post at GPO Box 161, Civic Square ACT 2608; via e-mail at icrc@act.gov.au, or lodged at the Commission’s offices at Level 8, 221 London Circuit, Canberra City.

The Commission proposes to hold a public hearing on Thursday, 10 April 2014. Any persons wishing to appear at the hearing must contact the Commission to register no later than

Tuesday, 1 April 2014.

The Commission expects to make its final determination on retail electricity prices in early June 2014.

ENDS

To contact the Commission, please visit www.icrc.act.gov.au

For media enquiries, please call:

Deirdre Burgess - Tel: 02 6205 0799 – Email: deirdre.burgess@act.gov.au