



## **MEDIA STATEMENT**

***STRICTLY EMBARGOED UNTIL 11.00AM TUESDAY 11 APRIL 2006***

# **FINAL REPORT ON RETAIL ELECTRICITY TARIFF**

The Independent Competition and Regulatory Commission today released the final report of its inquiry into whether there is a continuing need for a regulated tariff for franchise electricity customers in the ACT. The inquiry was requested by the former Treasurer Ted Quinlan.

Franchise customers are those who consume less than 100MWh of electricity per year and remain on the standard customer contract offered by ActewAGL Retail. These customers are predominantly households in the ACT. Currently, household customers who remain with ActewAGL Retail can opt to receive a tariff regulated by the Commission.

Releasing the final recommendations today, Senior Commissioner Paul Baxter said that based on an assessment of the ACT electricity market, the Commission believed on balance there was evidence to conclude that the market in the ACT is sufficiently competitive to allow the removal of a regulated tariff.

“The three electricity retailers currently actively competing in the ACT are also active in other states and compete within the retail profit margin that applies to the transitional franchise tariff as of today. Further, there is ample evidence of actual and potential competition between retailers, as well as innovative products and services, including bundling of several services, now being offered by retailers in the market.

“Based on its assessment of these factors, the Commission is recommending that the regulated tariff be discontinued from 1 July 2007. Removing the regulated tariff from 1 July 2007 will allow sufficient time to make the necessary amendments to the Utilities Act to ensure current consumer safeguards remain in place.

“In addition to recommending the discontinuation of the regulated retail tariff, the Commission has committed to undertaking an awareness campaign to draw attention to the opportunities that exist under Full Retail Competition (FRC) for electricity and gas retail services in the ACT. FRC allows customers the option of choosing their electricity and gas retailer from the range of competing retailers operating in the ACT.”

The final report is available on the Commission’s website at [www.icrc.act.gov.au](http://www.icrc.act.gov.au).

STATEMENT ENDS 11/04/06

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