

Independent Competition and Regulatory Commission (Price Direction for the Supply of Electricity to Franchise Customers) Terms of Reference Determination 2011

Disallowable instrument DI2011–261

Made under the

Independent Competition and Regulatory Commission Act 1997 (the Act), Section 15 (Nature of industry references) and Section 16 (Terms of industry references).

Reference for investigation under Section 15

Pursuant to subsection 15(1) of the Act, I refer to the Independent Competition and Regulatory Commission (the ‘Commission’) the provision of a price direction for the supply of electricity to franchise customers for the period 1 July 2012 to 30 June 2014 with provision where appropriate for a review by 30 June 2013.

Terms of reference for investigation under section 16

Under the Act, section 16(1), I require that the Commission consider the following matters in relation to the conduct of the investigation:

1. The Commission should take into account the following matters:
 - a. The impact on direct electricity costs of changes in government policies and pass through of those costs to regulated prices including, but not restricted to:
 - i. the Commonwealth Government Carbon Tax;
 - ii. Commonwealth or ACT retailer obligation energy efficiency schemes;
 - iii. the Commonwealth Government’s Large and Small Renewable Energy Targets;
 - iv. the ACT Feed-in Tariff; and
 - v. any other schemes implemented to address climate change.
 - b. The efficient and prudent cost of managing risk in the cost of purchasing electricity.
 - c. The requirements of s. 20 of the Act.
 - d. Any other matters the Commission considers relevant.

2. The Commission must produce its final report in time sufficient to allow ActewAGL Retail to make any necessary changes to its billing system and to provide information on the new tariff to customers.

Andrew Barr MLA

Treasurer

21 September 2011