Australian Capital Territory

**Independent Competition and Regulatory Commission (Investigation into motor vehicle fuel prices in the ACT) Terms of Reference Determination 2019**

**Disallowable Instrument DI2019-18**

Made under the *Independent Competition and Regulatory Commission Act 1997*, section 15 (nature of industry references) and section 16 (terms of industry reference)

1. **Name of instrument**

This instrument is the *Independent Competition and Regulatory Commission (Investigation into motor vehicle petrol prices in the ACT) Terms of Reference Determination 2019.*

1. **Commencement**

This instrument commences on the day after it is notified.

1. **Industry reference for investigation (section 15)**

I, Andrew Barr, Treasurer, pursuant to section 15(1)(e) of the *Independent Competition and Regulatory Commission Act 1997* (Act), provide an industry reference to the Independent Competition and Regulatory Commission (Commission) to undertake a factual analysis of automotive petrol prices and competition in the ACT.

1. **Terms of reference (section 16)**

Pursuant to section 16(1) of the Act, I specify the following terms of reference in relation to the conduct of the investigation:

(1) The Commission is to have regard to the following in its investigation:

1. The average price of petrol in the ACT compared to Sydney, other capital cities and regional towns in proximity to the ACT;
2. The average costs faced by ACT petrol suppliers compared to Sydney, other capital cities and regional towns in proximity to the ACT;
3. The drivers of price differentials and how petrol prices are determined, including:
4. business models and pricing behaviours of petrol suppliers; and
5. the structure of the market.
6. The nature of costs faced by petrol suppliers in the ACT, including arrangements between petrol retailers and distributors, transport costs, and local taxes fees and charges;
7. Whether there is effective competition in the ACT petrol distribution and retail markets, taking into account:
8. the level of supplier concentration;
9. barriers to market entry and the locations of petrol stations;
10. any differences observed within the ACT market; and
11. information available to consumers.
12. Any other matter the Commission considers relevant to the investigation.

(2) The Commission is to provide a final report to the Treasurer setting out:

1. the findings of the investigation; and
2. a summary of the data that has informed the findings of the investigation.

(3) In undertaking the investigation the Commission is to:

1. provide a draft report, undertake public consultation and consider submissions in accordance with the Act; and
2. conclude the investigation and provide the final report to the Treasurer by 28 June 2019.

Andrew Barr MLA

Treasurer

22 February 2019