

Independent Competition and Regulatory Commission (Price Direction for the Supply of Electricity to Small Customers on Standard Retail Contracts) Terms of Reference Determination 2016

Disallowable instrument DI2016–138

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).

EXPLANATORY STATEMENT

The purpose of this instrument is to refer to the Independent Competition and Regulatory Commission (the Commission) the provision of a price direction for the supply of electricity to small customers (who consume less than 100MWh of electricity in any 12 consecutive months) on standard retail contracts for the period 1 July 2017 to 30 June 2020, with provision where appropriate for annual recalibrations to be made by 30 June 2018 and 30 June 2019. The current pricing direction expires on 30 June 2017.

Under section 15(4), the reference is restricted to only apply to the authorised electricity retailer ActewAGL Retail (the partnership of ACTEW Retail Ltd, ACN 074 371 207, and AGL ACT Retail Investments Pty Ltd, ACN 093 631 586).

The Commission is required to produce its final report within the period of 1 January 2017 to 7 June 2017, as per section 16(2)(a) of the Act. This will ensure ActewAGL Retail has sufficient time to make any necessary changes to its billing system and to provide information on the new tariff to customers for implementation effective 1 July 2017.

On 1 July 2016, amendments to the Act, made by the Independent Competition and Regulatory Commission Amendment Bill 2016, which was passed by the Legislative Assembly on 9 June 2016, will become effective. It is intended that the investigation to be undertaken by the Commission as prescribed by this instrument will be conducted in a manner consistent with the revised regulatory framework created by these amendments.

Andrew Barr MLA
Treasurer
22 June 2016