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Media Release

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Monitoring retail electricity and gas markets in NSW

IPART is seeking stakeholder submissions on the key issues in the retail electricity and gas markets in NSW.

Tribunal member Jonathan Coppel said IPART is required to monitor and report each year on certain matters including prices, competitive dynamics, and the participation of households and small businesses in the NSW retail electricity and gas markets.

"Hearing views from a wide range of stakeholders, including households, small businesses, consumer groups, industry associations and retailers helps IPART report on the issues that are front of mind for stakeholders during the energy transition," Mr Coppel said.

"Many households and small businesses in NSW are facing challenges in paying for essentials right now, including electricity and gas.

"Competition among retailers is important because, when it is working well, it places downward pressure on prices. However, to get these lower prices, consumers need to shop around regularly."

This year, IPART will be looking into recent changes in electricity pricing structures, including time of use and demand tariffs. These pricing structures are more complex than the flat rate prices that consumers have typically been charged in the past.

"There is a rising number of household and small business customers in NSW that are on more complex electricity plans which can include demand charges. These charges are not usually factored into bill estimates provided by price comparator services and can make finding the right plan more difficult," Mr Coppel said.

IPART will also be looking at innovations in the NSW retail electricity market, including demand response and virtual power plants which allow rooftop solar and batteries to be managed by a third party to reduce power costs.

"We want to hear from retailers about the virtual power plant programs they have on offer, and from consumers about their experience participating in these programs. We also want to hear about the impact of time of use tariffs and demand charges on households and small businesses." Mr Coppel said.

Submissions to IPART's consultation paper will close on Friday 20 September 2024. IPART will submit its annual market monitoring report to the Minister for Energy in November.

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