

Agenda

Regulated retail electricity and gas prices from 1 July 2012

Topic	Public forum on changes in regulated retail electricity prices from 1 July 2012, and the impact of the carbon price on regulated retail gas prices in NSW from 1 July 2012
Date	Monday 30 April 2012
Time	10am – 1pm
Location	IPART office – Level 8, 1 Market St, Sydney.

This public forum provides an opportunity for stakeholders to understand, ask questions and comment on:

- ▼ IPART's Draft Report and Determination on changes to regulated retail electricity prices from 1 July 2012
- ▼ Gas retailers proposals to increase regulated retail gas prices from 1 July 2012 to reflect the additional costs resulting from the carbon price

The forum will be divided into 2 sessions which will commence after an introduction by the Chairman at 10am.

Each session will begin with an introduction by the IPART Secretariat.

Stakeholders sitting at the roundtable (retailers, consumer representatives and government agencies) will then be invited to provide their comments including any questions for IPART and/or its expert consultants.

Following this discussion other stakeholders including members of the public will have the opportunity to provide comment and ask questions.

The forum will conclude with closing remarks from the Chairman.

The forum will be transcribed. A copy of the transcript will be placed on our website within 5 days of the forum. The indicative timing of the sessions is set out below. The second session will commence immediately following the first session.

Please contact Maria Tortura to indicate attendance including the number of people attending:

Ph (02) 9290 8478 or maria_tortura@ipart.nsw.gov.au

1. Opening remarks (10.00 am – 10.15am)

2. Changes to regulated retail electricity prices from 1 July 2012 (10.15 am – 11.45am)

Under IPART's draft decision regulated retail electricity prices will increase by an average of 16% across NSW from 1 July 2012. The increases are primarily driven by the continuing rise in forecast network ('poles and wires') costs, which is responsible for around half of the average price increase, and the introduction of a carbon pricing mechanism, which is responsible for the other half.

Issues for discussion include:

- ▼ Updated estimates of the energy purchase cost allowance, including the impact of the carbon price
- ▼ Other 'green costs' including the expanded Renewable Energy Target (RET)
- ▼ Impacts on customers and actions to improve electricity affordability.

3. Incorporating the impact of the carbon price into regulated retail gas prices in NSW from 1 July 2012 (11.45 am – 12.45pm)

The Voluntary Transitional Pricing Agreements (VTPAs) that we have with each Standard Retailer provide for standard retailers to increase retail gas prices to reflect the additional costs associated with the Commonwealth Government's carbon pricing mechanism.

The standard retailers have proposed increases in residential retail gas prices of 6 to 9% to compensate for the additional costs of the carbon price. Our role is to assess whether this increase is reasonable, and if so, standard retailers will be able to increase their retail gas prices on 1 July 2012 to recover these additional costs.

AGL, Origin Energy and ActewAGL (the standard retailers) will each present their proposed increases in regulated retail gas prices from 1 July.

4. Closing remarks (12.45pm – 1.00pm)