

FACT SHEET

Updating regulated electricity prices for 1 July 2014

17 February 2014

IPART regulates the electricity prices that EnergyAustralia and Origin Energy charge to households and small businesses who have not entered into a market contract. These customers represent less than half the small customers in NSW.

In June 2013 we released our determination on regulated prices from 1 July 2013 to 30 June 2016. We undertook to update these prices in 2014 and 2015 to account for changes in the electricity market.

We have commenced our annual review for price changes to come into effect on 1 July 2014. This fact sheet outlines our process for undertaking this review and explains how stakeholders can be involved.

What is the process and timetable for the review?

In our June 2013 report, IPART predicted an indicative price change of 1.8% in 2014/15, which is below the rate of inflation.

Since we made these estimates, there have been some changes which we will incorporate in our 2014 annual review. For example, we estimated that network prices would increase by the rate of inflation in 2014/15. However, recent proposals by the network businesses in NSW indicate that network prices will change by less than inflation.¹ We will ensure that network prices approved by the AER are incorporated into regulated retail prices.

We invited EnergyAustralia and Origin Energy to submit proposed changes to their 2014 regulated prices by January 2014. At this stage we have not received any proposals. As this is an update our analysis will focus on only certain cost elements, including wholesale electricity, green scheme costs, energy losses and customer acquisition and retention costs. Our regulatory framework will also allow for the carbon price to be removed from regulated prices should the legislation be repealed by the Federal Government.

¹ The proposals from Ausgrid, Endeavour Energy and Essential Energy are available from the Australian Energy Regulator's website, www.aer.gov.au.

We will release our draft report in April and our final report in June 2014. Table 1 provides an indicative timetable for the review.

Table 1 Timetable for the 2014 annual review

Milestone	Indicative Timing
Draft report released	April 2014
Public hearing held	29 April 2014
Submissions on draft report due	May 2014
Final report released	June 2014
Price changes occur	1 July 2014

How can stakeholders be involved?

Stakeholders can make submissions to our draft report and attend a public hearing on 29 April 2014.

You can subscribe to electricity updates on our website by clicking [here](#). Alternatively, if you are interested in receiving email updates on this review, please send your contact details to: electricity@ipart.nsw.gov.au

Where can I find more information?

IPART's [website](#) provides consumers with information and frequently asked questions about electricity prices.

More detailed information about the scope and process for our 2014 annual review can be found in Chapter 11 of our June 2013 [final report](#).