

NEW VOLUNTARY PRICING ARRANGEMENTS AGREED FOR GAS RETAIL PRICES FOR SMALL CUSTOMERS

Embargoed until 10am, Thursday 14 June 2007

The Independent Pricing and Regulatory Tribunal (IPART) has agreed new voluntary pricing arrangements with NSW gas suppliers for regulated prices charged to small gas customers over the next three years. The gas suppliers have agreed to keep average regulated prices unchanged (after allowing for the impact of inflation) in most areas of NSW.

Since 2002 all gas customers in NSW have had the option to choose their retail gas supplier and enter into a negotiated retail supply contract, or to remain with their standard supplier on a regulated tariff.

The Voluntary Transitional Pricing Arrangements (VTPAs) apply only to customers who have not entered into a negotiated customer supply contract and are supplied by their nominated standard supplier – either AGL Retail Energy, ActewAGL, Country Energy or Origin Energy - and have been agreed in response a pricing review requested by the New South Wales Minister for Energy.

The VTPAs give suppliers flexibility to vary individual tariffs as long as they ensure average retail gas prices are held constant after allowing for the effects of inflation.

IPART Chairman Michael Keating said: "These agreements continue the Tribunal's light-handed approach to regulating gas prices in NSW. They support the ongoing development of competition in the retail gas market in NSW, while protecting customers against substantial price increases."

IPART's report including copies of the VTPAs is available on its website at:
www.ipart.nsw.gov.au

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