

INPUT SOUGHT FOR GAS PRICE REVIEW

27 November 2012

The Independent Pricing and Regulatory Tribunal (IPART) is calling for industry and consumer input into proposed regulated retail gas prices in NSW for the next 3 years.

Releasing an Issues Paper for public comment today, IPART Chairman Dr Peter Boxall said the 2013-16 price review will aim to put in place regulated gas prices that protect the long term interests of customers.

Dr Boxall said the Issues Paper includes pricing proposals from each of the Standard Retailers, and details IPART's proposed approach to assessing these proposals.

For 2013/14, the 4 Standard Retailers have proposed the following average price increases:

- ▼ AGL has proposed 10.4% for its customers in Sydney, Hunter, Illawarra and Central Coast regions.
- ▼ ActewAGL has proposed 7.2% for its customers in the Capital region, 5.5% for its customers in the Shoalhaven region and 3.5% for its customers in the Queanbeyan region.
- ▼ Origin Energy has proposed 5.3% for its Albury customers and 4.4% for its Murray Valley customers.
- ▼ Country Energy (owned by Origin Energy) has proposed 6.1% for its customers in the Wagga Wagga area.

"We will rigorously assess these pricing proposals to ensure they are reasonable and protect the long term interests of customers," Dr Boxall said.

"The retailer proposals indicate that they see considerable uncertainty about wholesale gas costs and the costs of complying with the carbon pricing mechanism over the next 3 years. They seek to set the price for 2014/15 and 2015/16 closer to the time, when more information is available and we will consider that as part of this review."

"Industry and consumer comment on the retailers' pricing proposals and how best to put in place regulated gas prices for the next 3 years are important elements of our review process."

The Issues Paper for the Review of regulated retail prices and charges for gas 2013 to 2016 is the first stage of IPART's public consultation program and is available at IPART's website, alongside the Standard Retailers' proposals <<http://www.ipart.nsw.gov.au>>.

A public hearing will be held in Sydney on 3 December 2012, with submissions to the Issues Paper due on 21 January 2012. Further submissions will be sought when the Draft Report and determination is published in March 2013, with the final determination to be made in May 2013 before new prices come into effect from 1 July 2013.

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