

11 December 2024

Ms Anna Collyer
Chair
Australian Energy Market Commission
60 Castlereagh St
Sydney NSW, 2000

Upload via website: *Reference EPR0097*

Dear Ms Collyer,

The pricing review: Electricity pricing for a consumer-driven future

ActewAGL Retail (ActewAGL) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) Consultation Paper (the Paper) considering future electricity products and services, and the prices that consumers pay for them.

ActewAGL is a retailer providing energy to the Canberra region and nearby centres in south-east NSW including Queanbeyan, Goulburn, the Snowy Mountains, Nowra and the South Coast.

ActewAGL appreciates the AEMC initiating the pricing review in recognition of the rapidly changing energy system. With the uptake of consumer energy resources (CER) and other technology innovation, it is an opportune time for industry to consider the extent to which the regulatory framework is fit for purpose for the future. The consumer preference principles and consumer archetypes set out in the Paper appear to be well founded in industry research and represent a reasonable indication of future consumers.

The role of energy supply businesses needs to evolve in the future to be able to provide customers with choice, through differentiated pricing offers for the different forms of load. With the growing uptake in CER, it is important to encourage behaviour that optimises the controllable elements of CER, for example electric vehicle charging. Increased focus on the integration and communication layer between CER and the energy retailer would enable higher levels of appliance automation in future.

It is important however to balance providing pricing offers that create value for customers with CER, while also ensuring simple pricing offers are readily available for the majority of customers. ActewAGL's experience engaging directly with customers on their energy bills is consistent with the findings of Energy Consumers Australia¹. Customers seek simple tariff options where they can understand how their energy bills reflect their energy use.

Over time network tariffs have become increasingly complex and there is growing divergence between network tariffs and the retail price offerings which customers prefer and respond to. There may be merit in reducing the complexity of network tariff structures and leaving the design of more complex market offers to retailers that hold the direct relationship with the

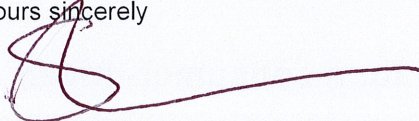
¹ Energy Consumers Australia, 2024, [various](#)

customer and better understand their needs. For example, this might include ensuring the network provider's default tariff arrangement is simple, with more complex network tariffs being opt-in for retailers and customers.

We look forward to continuing engagement with the AEMC as this process progresses.

Should you have any questions in relation to this submission please contact Rohan Richardson, Group Manager Pricing, Analytics and Regulatory, by phone: (02) 6248 3592 or by email: rohan.richardson@actewagl.com.au.

Yours sincerely



Sean Davis
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