

The pricing review:

Electricity pricing for a consumer-driven future

Public forum

19 June 2026

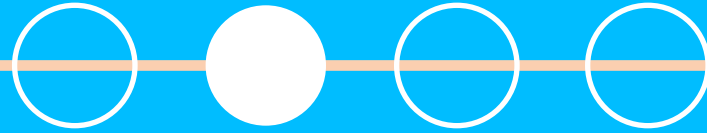
Australian Energy Market Commission

AEMC

The AEMC acknowledges and shows respect for the Traditional Custodians of the many different lands across Australia on which we live and work. The AEMC office is located on the land of the Gadigal people of the Eora Nation. We pay respect to all Elders past and present, and the enduring connection of Aboriginal and Torres Strait Islander peoples to Country.

ACKNOWLEDGEMENT OF COUNTRY

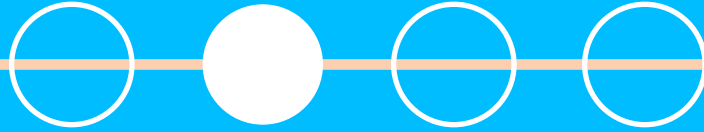




Welcome

Agenda

Item	Time	Lead
<i>Welcome</i>	1:00 - 1:05	Anna Collyer – Chair AEMC
<i>Housekeeping and background</i>	1:05 - 1:10	Victoria Mollard – Executive General Manager AEMC
<i>Case for change</i>	1:10 - 1:15	Drew Butterworth – Project sponsor
<i>Our final recommendations</i>	1:15 - 1:30	Rachel Thomas – Project lead
<i>Q&A</i>	1:30 - 1:55	Anna Collyer, Drew Butterworth, Rachel Thomas. Facilitated by Victoria Mollard
<i>Close</i>	1:55 - 2:00	Anna Collyer – Chair AEMC



Housekeeping

Housekeeping

All participants are currently in 'listen-only' mode, but can be invited to come off mute during the Q&A sessions to further explain a question or engage with the speaker.

Use the Q&A button at the bottom of the screen to ask questions.

How we will run the Q&A:

- Please put in your Q&A as they occur to you throughout the session
- Once we have finished presenting on the final recommendations we will open up to a facilitated Q&A session where we will respond to your questions in real time
- We will prioritise questions with the most 'upvotes' first
- You may be asked to speak to the question you have submitted via the Q&A button

COMPETITION PROTOCOL

KEY PRINCIPLES



The AEMC is committed to complying with all applicable laws, including the ***Competition and Consumer Act 2010*** (CCA), during this forum. Breaching the CCA can lead to serious penalties for individuals involved in any breach (including large financial penalties and imprisonment for key individuals involved). This protocol governs the way in which discussions will proceed at this forum, and each attendee agrees to adhere to this protocol in order to comply with the CCA.

Each attendee must make an independent and unilateral decision about their commercial positions and approach in relation to the matters under discussion in this forum.

Attendees must not discuss, or reach or give effect to any agreement or understanding which relates to:

- **pricing** for the products and/or services that any attendee supplies or will supply, or the terms on which those products and/or services will be supplied (including discounts, rebates, price methodologies etc)
- **targeting (or not targeting) customers** of a particular kind, or in particular areas
- **tender processes** and whether (or how) they will participate
- any decision by attendees:
 - about the purchase or supply of any products or services that other attendees also buy or sell
 - to not engage with persons or the terms upon which they will engage with such persons (i.e. boycotting); or
 - to deny any person's access to any products, services or inputs they require
- **sharing competitively sensitive information** such as non-publicly available pricing or strategic information including details of customers, suppliers (or the terms on which they do business), volumes, future capacity etc
- **breaching confidentiality obligations** that each attendee owes to third parties.

COMPETITION PROTOCOL

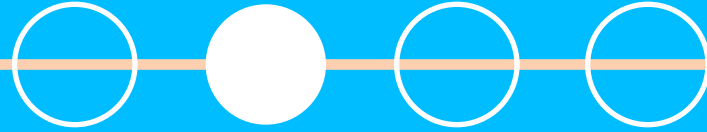
COMMUNICATION AND MEETING GUIDELINES



Attendees must ensure that all communications (including emails and verbal discussions) adhere to the ***Key Principles***.

This forum will be conducted in accordance with the following rules:

- The agenda for this forum does not include anything that could contravene the Key Principles set out in this protocol.
- We will read and minute the below *competition health warning*:
 - Attendees at this forum must not enter into any discussion, activity or conduct that may infringe, on their part or on the part of other attendees, any applicable competition laws. For example, attendees must not discuss, communicate or exchange any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, terms and conditions with third parties, terms of supply or access.
 - Participating in this forum is subject to you having read and understood the protocol including the Key Principles.
- We will keep accurate minutes of the forum, including details of attendees.
- If something comes up during the forum that could risk contravening any competition laws, attendees should:
 - Object immediately and ask for the discussion to be stopped.
 - Ensure the minutes record that the discussion was objected to and stopped.
 - Raise concerns about anything that occurred in the forum with their respective legal counsel immediately afterwards.
- All attendees understand that any competitively sensitive matters must be subject to legal review before any commitment/agreement can be given.
- Any decision about whether, and on what terms, to engage with customers and suppliers is an independent and unilateral decision of each attendee.



Background

Background and context

We initiated a review to look at electricity pricing

In the context of this review, electricity pricing refers to network and retail tariffs, how these interact, and how they can operate together to facilitate the design and offering of electricity products and services for consumers.

- **November 2024** – we published a final ToR and consultation paper
- **June 2025** – Published discussion paper
- **December 2025** – Published draft report
- **April 2026** – Published distributional modelling + HoustonKemp report on consumer protection options

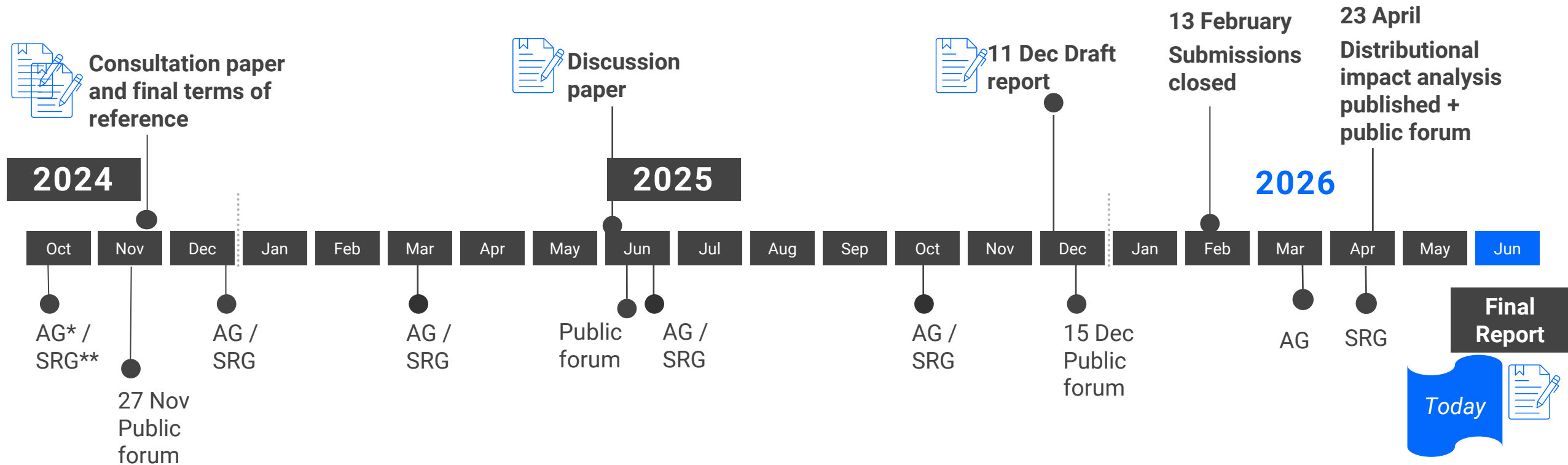
The Review is a key part of the AEMC CER work program and broader CER roadmap.

The Review had three key focus areas

1. **Market arrangements** that provide for consumer choice between a range of appropriate products, services, and associated pricing structures that suit their preferences
2. **The role of distribution networks** in enabling the right products, services, and incentives for consumers, and the efficient cost and pricing outcomes that result
3. **The role of retailers and energy service providers** in effectively packaging and pricing electricity products and services to match consumer preferences

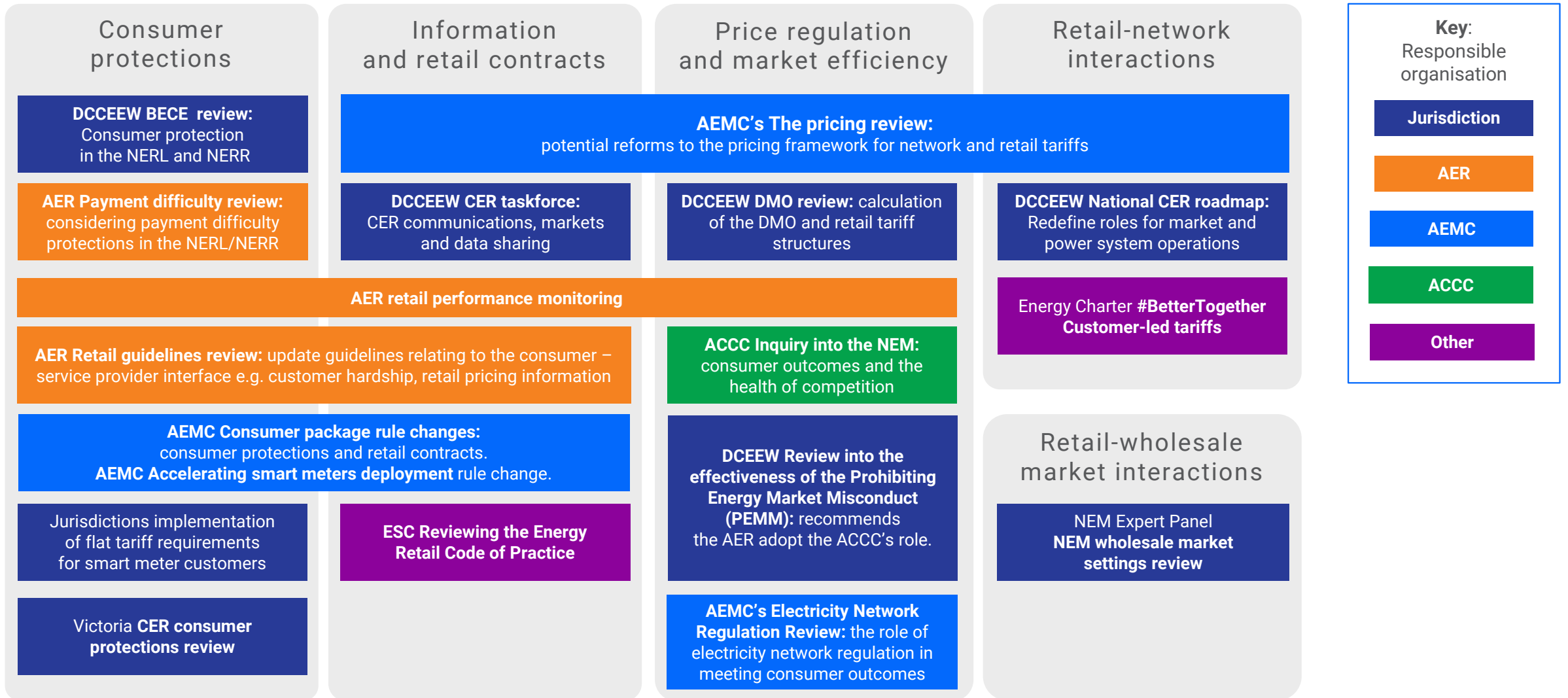
The Review does not make recommendations on the wholesale energy market or transmission pricing – although we may consider linkages where appropriate.

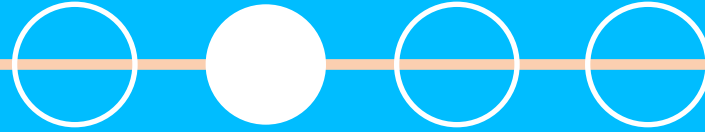
Our journey over the course of the review



* AG = Advisory Group ** SRG = Stakeholder Reference Group

The Pricing review intersects with several active streams of reform





The case for change

Energy pricing is too complex and too hard to manage at a time when people need it to be simple

Electricity pricing today is widely experienced as complex, confusing and difficult to compare

- Many people feel they should not need to be an expert to find a good plan, yet the current system often requires ongoing effort just to avoid paying more than necessary.

With rising cost of living pressures, consumers have limited time to engage with energy offers

- When plans are hard to understand or compare, many stay on unsuitable deals or disengage altogether, even when better options exist.

Consumers described the need to regularly compare and switch plans as exhausting and time-consuming

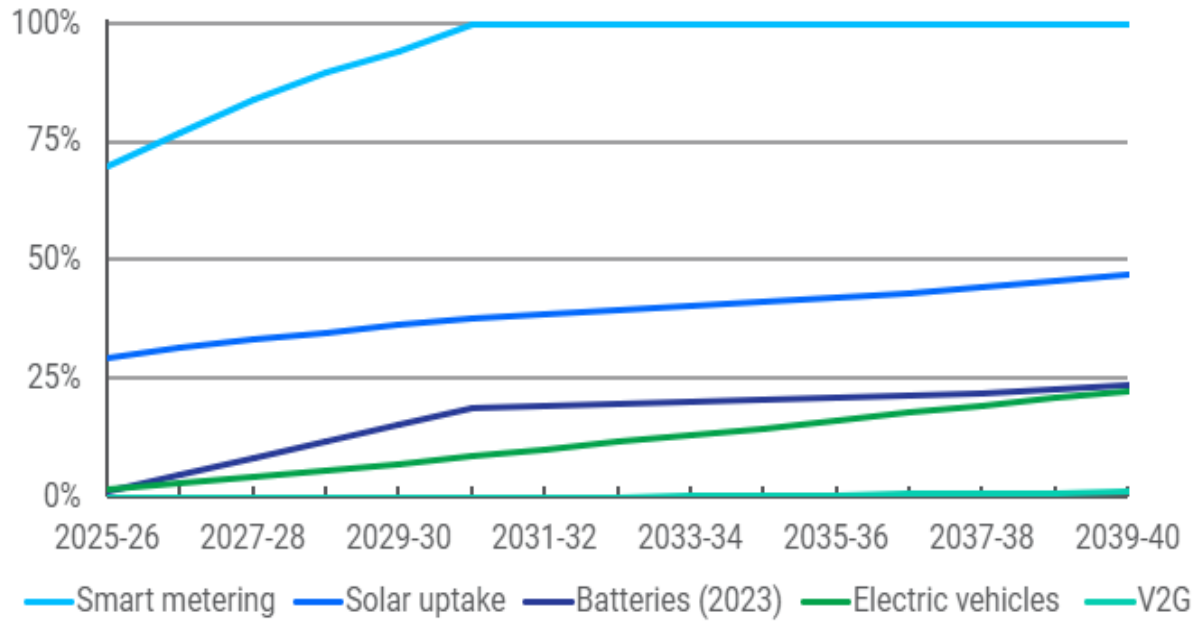
- Many do not feel confident understanding the offers presented, and comparison tools sometimes fail to make decisions easier, particularly for households with solar, electric vehicles or other technologies.

There is also a strong sense that the system penalises those who do not shop around

- Longstanding customers often pay more simply for staying put.
- In response, many consumers disengage, sticking with a familiar plan even if they suspect they are overpaying.

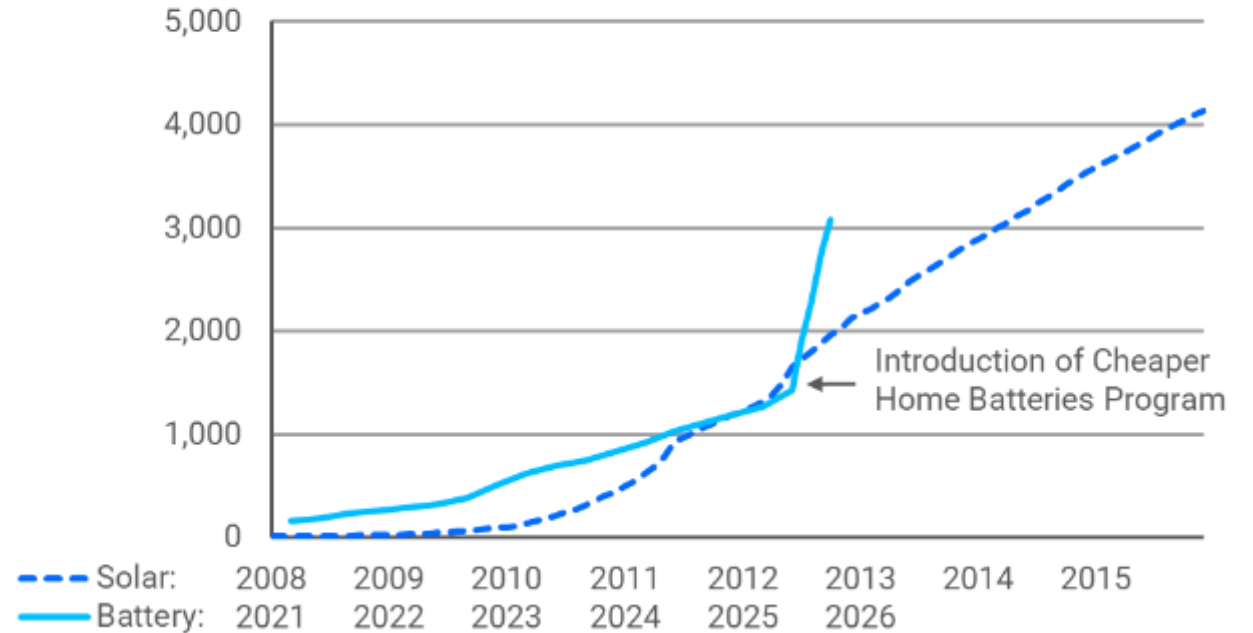
Consumers are driving the energy transformation

Projected consumer energy technology uptake



AEMC analysis of AEMO, 2025 Inputs Assumptions and Scenarios Report [data sets], AEMO website, accessed 8 December 2025; AEMO, 2023 – 24 inputs, assumptions and scenarios [data sets], AEMO website, accessed 8 December 2025; AEMC, Accelerating Smart Meter Deployment, Rule determination, AEMC, 28 November 2024.

Uptake of CER (solar uptake 2008-2015 & battery uptake 2020-2026) MW, calendar years.



AEMC analysis of AEMO, DER Data downloads, AEMO website, accessed 8 December 2025; Clean Energy Regulator, Small-scale installation postcode data, Clean Energy Regulator website, 1 December 2025, accessed 8 December 2025.

Without reform, consumers will face increasing complexity and higher costs

As more people generate their own energy, the cost of maintaining the poles and wires network is falling disproportionately on a subset of customers.

- This is despite the fact that we all still rely on the shared grid.
- Even consumers with CER who are largely self-reliant still need the grid to sell excess energy and to meet their electricity needs during times of high demand

We anticipate that consumer costs will be higher than necessary if the pricing framework is not changed

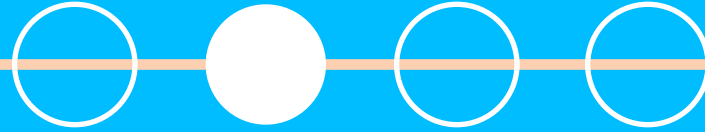
- Customers who can invest in solar, batteries and electric vehicles will increasingly reduce their network costs, while those who cannot access or afford these things will pay increasingly more.
- Energy service providers will continue to face high costs managing multiple and complex network tariffs, which will be passed through to customers

We could also see increased restrictions on consumers' CER use

- Without changes, we will likely have increasing grid congestion or 'bottlenecks' that trigger the need for network investment, driving up costs for consumers.
- This could mean some consumers are locked out of using CER, and others may find their existing investments returning limited value.

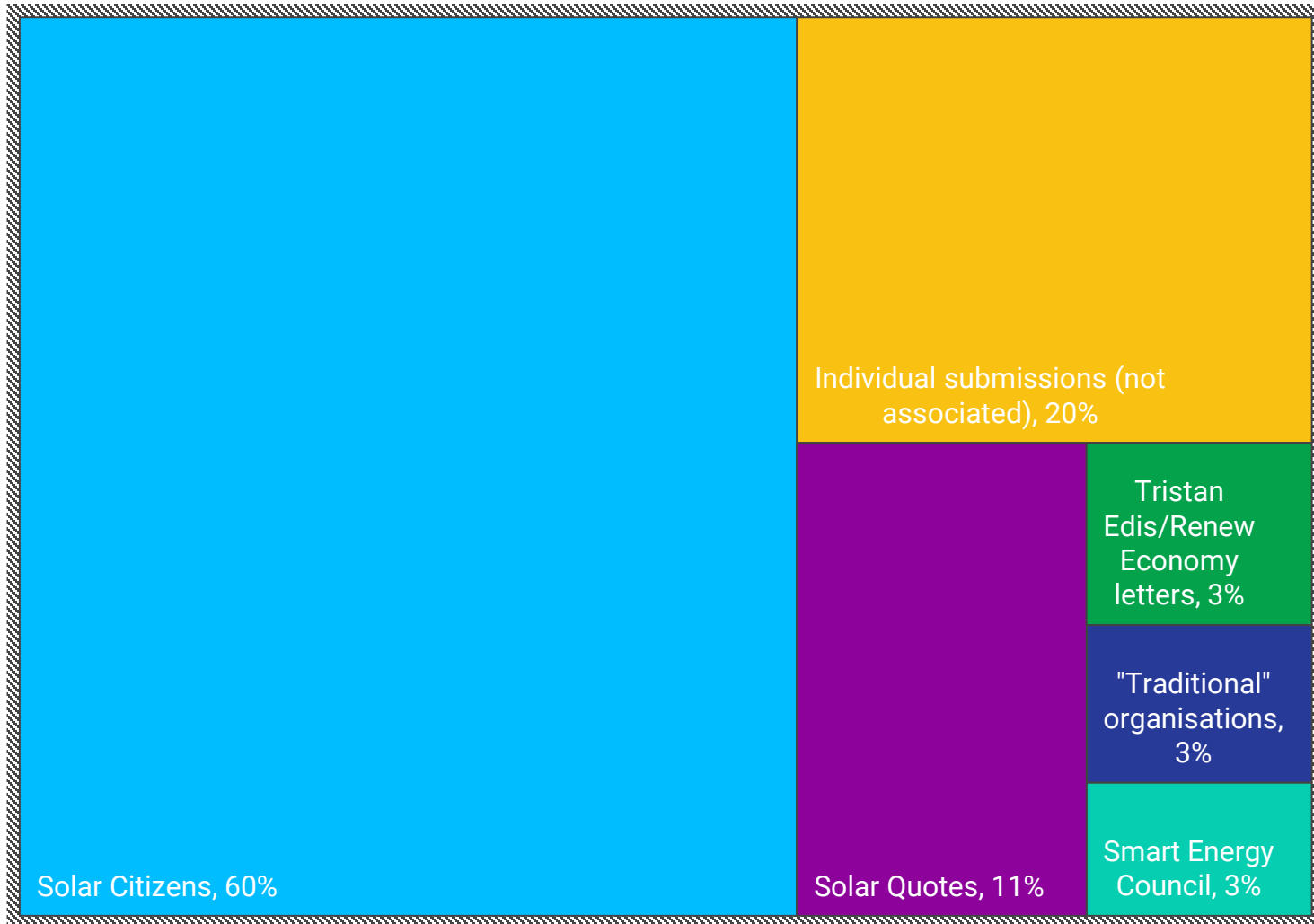
This review introduces a roadmap for change

“A dynamic energy services market that delivers value, meets the preferences of different consumers, and offers choice of energy service provider, while ensuring lowest overall costs and building trust through targeted protections.”



Our final recommendations

Engagement in response to the draft report was strong



We received **2,724** submissions, representing an unprecedented level of stakeholder interest for an AEMC review.

Key feedback provided:

- Scale and pace of change
- Retail market reforms
- Competitive franchise
- Network pricing for different customer groups
- Tariff prescription and incentives for CER and demand response

We have made four final recommendations

FOUR RECOMMENDATIONS TO DELIVER OUR VISION:

1	Shine a light on retailer behaviour that contributes to negative outcomes for loyal customers	Improving transparency and increasing scrutiny of the loyalty tax will encourage energy service providers to better serve loyal customers.
2	Make it easier for consumers to find electricity plans and services that suit them	Product and service comparison tools fully address consumers' information requirements, and support simple, meaningful comparisons in an evolving electricity market
3	Simpler energy plans, with complexity handled behind the scenes, to unlock the full value of a consumer-led energy system for everyone	Energy pricing will be simple for consumers, with the complexity managed in the background by providers and systems that are better equipped to handle it. Better harnessing CER provides better consumer rewards, and lower costs over time for everyone.
4	Regularly review customer outcomes to refine regulations and eliminate unnecessary red tape	This means removing rules that add cost or complexity without delivering benefits, and strengthening protections where needed. The result is a system that stays simple, relevant and focused on delivering consumer value.

Final recommendation one



Shine a light on retailer behaviour that contributes to negative outcomes for loyal customers

Improving transparency and increasing scrutiny of the loyalty tax will encourage energy service providers to better serve loyal customers.

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Make it easier for consumers to find electricity plans and services that suit them

Product and service comparison tools fully address consumers' information requirements, and support simple, meaningful comparisons in an evolving electricity market

Final recommendation three



Simpler energy plans, with complexity handled behind the scenes, to unlock the full value of a consumer-led energy system for everyone

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Final recommendation four



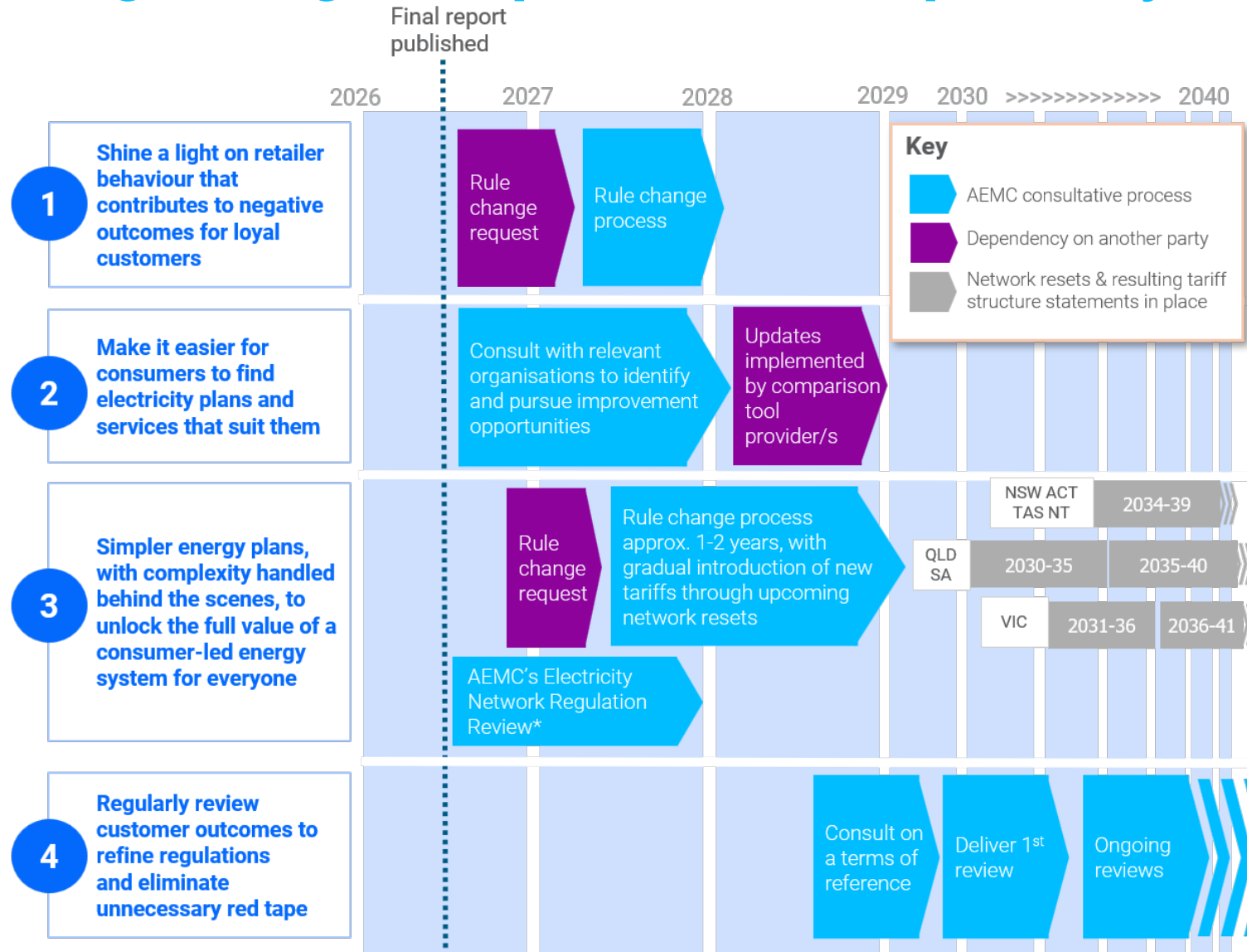
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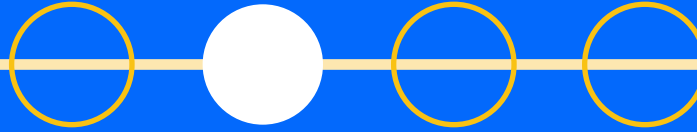
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4	Regularly review customer outcomes to refine regulations and eliminate unnecessary red tape	This means removing rules that add cost or complexity without delivering benefits, and strengthening protections where needed. The result is a system that stays simple, relevant and focused on delivering consumer value.

We are proposing a staged implementation pathway

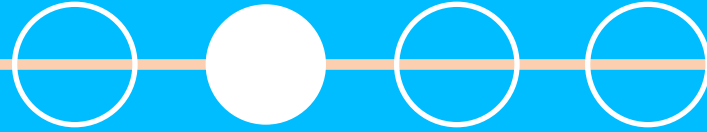


*The Electricity Network Regulation Review (ENRR) is separate from the Pricing Review. It will consider the important role of electricity network regulation in providing consumers with a low cost, reliable supply of electricity as the NEM transitions to a net-zero system. See more here <https://www.aemc.gov.au/market-reviews-advice/electricity-network-regulation-review>

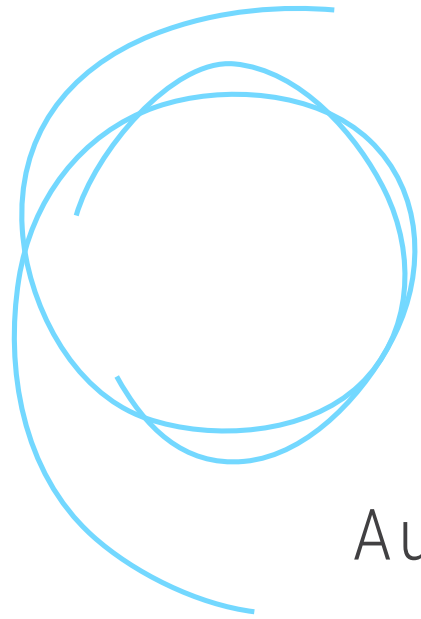
Q&A: 25 minutes



- Reminder: Please use the Q&A function to submit questions.
- We will prioritise questions with the most 'upvotes' first. You can also comment on someone else's question if you would like to add specifics to that question.
- You may be asked to speak to the question you have submitted – we will invite you to come off mute, then you will need to unmute yourself.



Thank you



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