



INFORMATION

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2014 retail competition review

Terms of reference and approach paper released

The AEMC has published the terms of reference and an approach paper to initiate its 2014 retail competition review. This review will assess the state of competition in retail electricity and gas markets for small customers in National Electricity Market (NEM) jurisdictions. We are seeking stakeholder views on the level of retail market competition and invite submissions by 28 February 2014.

New approach to AEMC retail competition reviews

This is the first review under a new annual process. The Standing Council on Energy and Resources (SCER) and the Council of Australia Governments agreed in December 2012 that the AEMC reviews should be conducted annually and include all NEM jurisdictions. Previously the AEMC competition reviews focussed on one jurisdiction at a time, with the AEMC completing reviews of Victoria in 2008, South Australia in 2008, the Australian Capital Territory in 2011 and New South Wales in 2013.

These reviews support the commitment made by jurisdictions in 2004 under the Australian Energy Market Agreement to deregulate retail energy prices where effective competition can be demonstrated.

Focus is on small electricity and gas customers

The SCER terms of reference that apply to this 2014 review and future annual reviews were issued to the AEMC on 13 January 2014. We are required to assess the state of competition for small customers in retail electricity and gas markets in the Australian Capital Territory, New South Wales, Queensland, South Australia, Tasmania and Victoria. Our analysis will look at the level of competition in these markets and the types of outcomes experienced by residential and small business customers.

Approach paper

The AEMC has published an approach paper setting out how we will conduct the 2014 review. It is intended to provide clarity to stakeholders on how we plan to gather and analyse evidence on the state of competition in NEM jurisdictions.

Consultation

The AEMC plans to meet with key stakeholders during the first quarter of 2014 to discuss the details of the review and seek their input. This will include retailers, consumer groups, ombudsmen, pricing regulators and jurisdictional governments. In addition, we invite any stakeholders to contact the AEMC if interested in meeting to discuss any aspect of this review.

As part of this review, the AEMC is seeking stakeholder views on the level of competition in each jurisdiction. The AEMC is particularly interested in stakeholder responses to a series of questions set out in the approach paper. We request submissions by **28 February 2014**.

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