

ACCC PUBLIC FORUM – SMALL BUSINESS INFORMATION NETWORK

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Background

On 27 March 2017, the Treasurer issued a notice requiring the ACCC to hold a public inquiry into the supply of retail electricity and the competitiveness of retail electricity prices in the National Electricity Market (NEM). The inquiry formally commenced on this date.

The ACCC must provide a preliminary report to the Treasurer by 27 September 2017 and a final report by 30 June 2018.

The Australian Competition and Consumer Commission on 31st May 2017 released an issues paper for its inquiry into retail electricity supply and prices in Queensland, NSW, Victoria, South Australia, Tasmania, and the ACT.

The paper sets out the key issues that the ACCC will focus on during its inquiry, including:

- prices, costs, and profits – the types of costs that contribute to a retail electricity bill and the risks involved in retailing electricity
- level of competition - the current level of competition, ways that retailers compete and barriers to competition
- impediments to consumers engaging with the market and ways that this can be improved.

“A key focus for the ACCC is to determine the main drivers of retail electricity price increases over time and what can be done about these. As part of this inquiry, we will seek information and data from electricity retailers to further break down the costs that make up a retail electricity bill,” ACCC Chairman Rod Sims said.

“Our inquiry also aims to make findings and recommendations to improve customer outcomes when they are choosing and buying electricity services. We are seeking comment from all interested parties on the issues paper - ranging from retail customers to operators in the electricity supply chain.”

“The ACCC will hold public forums in a number of locations to speak with customers directly about their concerns and experiences. We will also engage with industry directly and use compulsory information gathering powers as required to access information not publicly available,” Mr Sims said.

Scope of inquiry

Matters to be considered by the inquiry shall include, but not be restricted to:

1. the key cost components of electricity retail pricing and how they have changed over time
2. the existence and extent of any barriers to entry, expansion and/or exit in retail electricity markets
3. the extent and impact of vertical integration
4. the existence of, or potential for, anti-competitive behaviour by market participants and the impact of such behaviour on electricity consumers
5. any impediments to consumer choice, including transaction costs, a lack of transparent information, or other factors
6. the impact of diverse customer segments, and different levels of consumer behaviour, on electricity retailer behaviour and practices
7. identifying any regulatory issues, or market participant behaviour or practices that may not be supporting the development of competitive retail markets
8. the profitability of electricity retailers through time and the extent to which profits are, or are expected to be commensurate with risk
9. all wholesale market price, cost and conduct issues relevant to the inquiry.

The ACCC is inviting electricity customers to participate in a series of public forums as part of the [Electricity supply and prices inquiry](#).

Attendees will have the opportunity to raise competition and pricing issues in the retail electricity sector with ACCC Commissioners.

Regional forum is scheduled for:

- Monday 7 August 2017, 5-7pm, Townsville, Qld – Rydges Convention Centre, 23 Palmer Street, South Townsville

Light refreshments will be served 30 minutes prior to each forum commencing.

If you would like to provide information but are unable to attend this forum, please contact retailelectricityinquiry@accc.gov.au.

The forums will focus on residential and small business customers, but large customers are welcome to attend.

Following the forum, a summary of issues discussed at all forums held will be published on the ACCC website. Names of attendees will not be published.

The forum discussions will be closed to the media. Media are welcome to attend the venue to interview Commissioners either before or after the forums.

Registration form

[Electricity supply and prices inquiry public forum](#)