

Independent Competition and Regulatory Commission (Price Direction for the Supply of Electricity to Certain Small Customers on Standard Retail Contracts) Terms of Reference Determination 2026

Disallowable instrument DI2026-95

Made under the *Independent Competition and Regulatory Commission Act 1997* ('the Act'), Section 15 (Nature of Industry References) and Section 16 (Terms of Industry References).

1 Name of instrument

This instrument is the *Independent Competition and Regulatory Commission (Price Direction for the Supply of Electricity to Small Customers on Standard Retail Contracts) Terms of Reference Determination 2026*.

2 Interpretation

In this instrument:

"National Energy Retail Law (ACT)" has the same meaning as in the *National Energy Retail Law (ACT) Act 2012*.

"small customer" has the same meaning as in the *National Energy Retail Law (ACT)*.

"standing offer prices" has the same meaning as in the *National Energy Retail Law (ACT)*.

"ActewAGL Retail" means the partnership of Icon Retail Investments Limited (ACN 074 371 207) and AGL ACT Retail Investments Pty Ltd (ACN 093 631 586).

2 Commencement

This instrument commences on the day after it is notified.

3 Reference for investigation under Section 15

In accordance with section 15(1) of the Act, I provide a reference to the Independent Competition and Regulatory Commission (the 'Commission') to determine a price direction for the standing offer prices for the supply of

electricity to small customers who consume less than 100MWh of electricity over any period of 12 consecutive months.

The price direction will be for the period of 1 July 2027 to 30 June 2030. The price direction must make provision for annual recalibrations to be undertaken and the determination of the reference price.

In accordance with 15(4) of the Act, the price direction determined by the **Commission under this reference is to only apply to the electricity retailer ActewAGL Retail.**

I further provide a reference for the Commission to inquire into competition to supply retail electricity to small customers in the ACT, through advice to me in its final report on the merits of amending current processes to enable separate reference prices for time of use and fixed rate tariff customers.

4 Terms of reference for investigation under section 16

In accordance with 16(1) of the Act, I require that the Commission must consider the following matters in relation to the conduct of the investigation.

1. The Commission must consider:
 - a. The direct impact on electricity costs of government policies and pass through of costs and savings to regulated prices including, but not restricted to:
 - i. the ACT retailer obligations under the Energy Efficiency Improvement Scheme;
 - ii. the Commonwealth Government's Large-scale Renewable Energy Target and Small-scale Renewable Energy Scheme;
 - iii. any other schemes implemented to address climate change relevant to electricity pricing; and
 - iv. any other policies or schemes that may directly impact on pricing in the retail or wholesale electricity market.
 - b. The efficient and prudent cost of managing wholesale electricity risk for the period of the price direction.
2. The Commission must identify and report on the efficient costs of complying with the *Energy Efficiency (Cost of Living) Improvement Act 2012* for the period that the determination is being made.
3. The Commission must identify and report on the cost allowance of the ACT Feed-in Tariffs (small and large scale) for the period that the determination is being made.
4. The Commission will amend the standing offer price determination methodology, which presently provides for an average price adjustment across all standing offer tariffs, to having individual determination of regulated time-of-use tariffs, distinct from other regulated tariffs, from 2027-28 onwards.

5. The Commission will ensure the methodology for determining standing offer continues to strike the right balance between providing a safety-net price for customers who do not actively shop around and facilitating a competitive retail electricity market, including whether the current methodology may provide excessive margins where customers pay materially higher prices than those who actively seek better market offers.
6. The Commission must ensure its timeframe for the yearly standing offer approval process provides adequate time for determination of the subsequent reference price by Ministers, and for retailers to fulfill their legal obligations under the *ACT Retail Electricity (Transparency and Comparability) Code* and the *National Energy Retail Rules*.
7. The Commission must release its final report within the period of 1 March 2027 to 4 June 2027, to provide sufficient time to allow ActewAGL Retail to make any necessary changes to its billing system, and to provide information on the new tariff to customers in time for implementation effective 1 July 2027.

Chris Steel MLA
Treasurer
12 June 2026