

How electricity prices are set



Residential and small business consumers can choose standard supply contracts with **regulated** prices for electricity, or enter into a **market** contract offered by a licenced electricity retailer.

REGULATED PRICES

Regulated electricity prices are available to NSW residential and small business consumers through regulated suppliers.

MARKET PRICES

All licenced electricity retailer (including the regulated suppliers) compete with each other to offer consumers a variety of prices, fees, terms and conditions via market contracts.

IPART sets the average regulated prices upon request from the NSW Government by reviewing all the costs retailers face in supplying electricity to their customers.

IPART sets average price caps that only apply to the regulated suppliers. There is a regulated supplier for electricity for every part of NSW.

- > Central Sydney and the Hunter region: **EnergyAustralia**
- > Western Sydney, the Illawarra and the rest of NSW: **Origin Energy**

The maximum prices for each of the regulated suppliers can be different depending on the costs they face in servicing their different geographic regions. In particular, the largest component of bills - the network (poles and wires) charges - differs between areas.

Find out about the regulated prices in your area here:
www.ipart.nsw.gov.au/Home/Industries/Electricity/Reviews/Retail_Pricing

Market prices are set by energy retailers in the same way many other businesses determine the prices they charge, considering the costs of providing the service and the need to be competitive.

Retailers market their offers to the consumers who can choose the offer they want according to their own needs, entering into a contract agreement with their existing retailer or a new retailer. The prices, fees, and other terms of these contracts are not regulated, and may be lower or higher than the regulated prices.

IPART provides a free online electricity price comparison service - www.myenergyoffers.nsw.gov.au - to help consumers compare the regulated prices with offers from different electricity retailers, and see the estimated impact of changing from regulated prices to different offers on their electricity bills.

Subject to the terms of any contact including termination fees, small consumers can return to the regulated prices at any time.



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FUNCTIONS

ELECTRICITY	GAS
WATER	TRANSPORT
LOCAL GOV'T	REGULATION REVIEW
OTHER	RESEARCH
ENERGY SAVINGS SCHEME	GREENHOUSE GAS REDUCTION SCHEME



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