



Media Release
4 April 2024

WHOLESALE CONTRACT REGULATORY INSTRUMENT PRICING INVESTIGATION - DRAFT REPORT

The Tasmanian Economic Regulator published its Wholesale Contract Regulatory Instrument Pricing Investigation - Draft Report today.

The Australian wholesale electricity market comprises a physical market for electricity and an associated financial derivatives market. In Tasmania, the financial derivatives market is comprised of regulated and unregulated financial contracts. The regulated financial contracts are governed by the Wholesale Contract Regulatory Instrument (the Instrument).

The purpose of the Instrument is to require Hydro Tasmania to offer a number of regulated contracts to authorised retailers operating in the Tasmanian market. Details about the regulated contracts are specified in the Instrument, with the prices for each contract type derived using a method that is also specified in the Instrument.

The Instrument is administered by the Regulator in accordance with the relevant provisions in the *Electricity Supply Industry Act 1995* and *Electricity Supply Industry (Pricing and Related Matters) Regulations 2023*.

Under this framework, the Instrument applies for a set period of time and before its expiry, the Regulator is required to conduct a pricing investigation.

The current Instrument ceases to have effect on 30 June 2024. Therefore, the purpose of the pricing investigation is to review the Instrument and release a new Instrument that will apply from 1 July 2024.

In reviewing the Instrument, the Regulator considered feedback received from stakeholders and market participants. The Regulator is now seeking written submissions during the public consultation period that ends at 5pm on 3 May 2024. Submissions and enquiries may be made by email to office@economicregulator.tas.gov.au.

The Regulator will publish a Final Report and Instrument in June 2024 after considering submissions received on the Draft Report.