

Office of the Tasmanian Energy Regulator

**Comparison of 2008 Australian Standard Offer Energy
Prices**

February 2008

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EXECUTIVE SUMMARY

This Report compares energy prices available to small customers across Australian states, comparing standing offer prices as at 1 January 2008. The Report also examines the prices to which customers entitled to receive a relevant concession are exposed, and particularly in the case of Tasmanian customers, the extent to which the recently increased concessions mitigate against price rises.

The Report has found that, for residential customers:

- At 1 January 2008, low consumption Tasmanian electricity customers will pay towards the high end of residential prices, while low consumption Tasmanian natural gas customers enjoy among the lowest prices in the country;
- High consumption Tasmanian electricity customers lie in the low to mid end of national prices, while high consumption natural gas customers will pay in the middle range of national prices; and
- Tasmanian electricity concession customers will experience prices in the low to mid range of those available in Australia.

For business customers, the Report found:

- Tasmanian Tranche 5 electricity business customers will experience competitive business rates with those available in other states; and
- Tasmanian prices for business customers using natural gas are in the upper band of rates available nationally.

1 INTRODUCTION

This Report provides an overview of the pricing environment in both the electricity and gas retail markets for 2008, as an update to information presented in Chapter 13 of the *Tasmanian Energy Supply Industry Performance Report 2006-07, December 2007*. Pricing information has been updated as a result of approved increases in tariffs in Victoria and South Australia, and the tariffs approved by the Regulator for 2008.

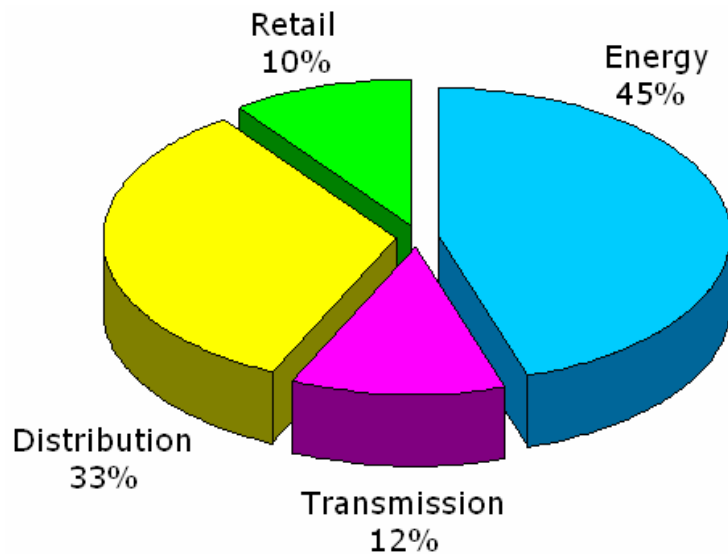
The electricity section presents a comparison of prices experienced in Tasmania and mainland states for residential customers as at 1 January 2008, including a comparison taking into account concessions available in each State. A comparison between Aurora Pay As You Go prices and standard tariffs is available on the Energy Regulator's Web site as a separate paper. This section also presents a comparison of prices experienced by business customers as at 8 January 2008.

Similarly, the gas section presents a comparison of prices prevailing in Tasmania and mainland states for both residential and business consumers, as well as a year on year comparison for Tasmanian residential and business gas tariffs.

2 ELECTRICITY

In October 2007, the Regulator made a Determination of maximum prices on mainland Tasmania for the period 1 January 2008 to mid 2010.

Figure 2.1 Typical Bill



For the average customer on a retail tariff, the breakdown in costs is approximately 45 per cent for the cost of the energy (generation), 12 per cent for transmission, 33 per cent for distribution and 10 per cent for retail. These numbers are approximate and differ for each tariff, but give a reasonable indication of the impact that each part of the industry has on the final bill.

The following comparisons are undertaken using the approved tariffs for the major Tasmanian, Victorian and South Australian retailers that took effect on 1 January 2008. Tariffs for major retailers in the remaining states and territories have been taken as at 1 July 2007 as these will be current at 1 January 2008.

2.1 Residential

2.1.1 Interstate Comparisons

Comparisons of interstate electricity prices require consideration of the factors that characterise each market. The prices in each state reflect local cost structures, the nature of the energy market (in particular the penetration of natural gas), the regulatory environment and differing weights placed on fixed (daily charges) and variable (energy related) charges.

Key variations that impact on interstate price comparisons include:

- The mainland states, where thermal generation predominates, have a distinct differential between peak and off-peak energy costs reflecting the fact that those systems are capacity constrained. Hence there are relatively cheaper off-peak retail rates compared to those offered by Aurora. The Tasmanian system is energy constrained. Thus there is less cause for significant differences between peak and off-peak energy prices.
- Due to the comparatively low off-peak rates in the mainland states, off-peak (with or without any-time boost) is the most economical option for electric water heating. There is comparatively less difference between the Aurora any-time hot water rate and the Aurora off-peak rate.
- Tasmanian average residential consumption is higher than that in other states due to the low penetration of natural gas and the colder weather causing higher space heating load. However, Tasmania has a high penetration of wood heaters and comparatively little demand for air conditioning, though this is changing.
- Tariff structures differ between states. Most Tasmanian tariffs have a higher fixed (daily) charge and a lower average energy rate. Hence for many Tasmanian customers, the average incremental energy rates are lower than the equivalent average incremental energy rates in other states. Tasmanian tariffs are often declining block tariffs, that is, the energy rate declines as consumption increases. In other states, tariffs often only offer one energy rate irrespective of consumption or even an increasing block tariff, leading to higher incremental rates for high consumption. Aurora's tariffs have been progressively flattening in recent years.

About 6 per cent of Tasmanian standard tariff customers take supply under just Light and Power, while around 85 per cent take supply under a combination of Light and Power and Hot Water tariffs. Only about 15 per cent take Off-Peak either in addition to, or as a substitute for, the Hot Water tariff. By comparison, water heating in parts of the mainland would usually be either gas or electricity at off-peak rates (available at around 5 to 6 cents per kWh in New South Wales, 6 cents per kWh in Queensland, and 8 cents per kWh in Victoria) rather than at the standard rate of around 10 cents per kWh Hot Water rate in Tasmania.

It is difficult to draw conclusions, because of these differences, from simple direct comparisons between prices in the different states. By looking at publicly available approved tariffs and calculating resulting prices across a range of consumption levels, it is possible to estimate the range of prices (average c/kWh) customers could reasonably expect to see in each state.

To demonstrate the varying price per unit paid by low and high consumption customers owing to the mix between fixed and variable charges, the method developed by the Regulator presents price curves for a range of commonly used electricity tariff combinations, plotting average price per unit against consumption.

The tariff combinations used are outlined in Appendix 1. Importantly, the tariffs selected are the approved residential standing offer tariffs for each state. In other states, where retail markets are competitive, customers may have access to cheaper products than those shown. Retail tariffs may include elements for new market entrants to stimulate retail competition.

High levels of customer churn in these states suggest that cheaper tariffs are available and are being preferred by many customers.

There is variation in average residential consumption levels between states. To present a comparison of similar households between states, consumption has been normalised. This approach identified the annual average residential electricity use for each state and normalises the range of consumption to between 20 per cent and 300 per cent of average consumption. This allows comparison of ‘low’ and ‘high’ consumption customers across states despite the actual consumption of these customers varying considerably (eg a low consumption customer in Tasmania will consume more than a low consumption customer in Western Australia owing to a higher dependence on electricity for necessities such as heating). The variation in average annual residential consumption between states is shown in Appendix 1.

Figure 2.2 and Figure 2.3 show the range of prices per unit consumption (c/kWh) for common residential tariffs available as at 1 January 2008.

Figure 2.2 normalises consumption on the basis of percentage of State average residential consumption, while Figure 2.3 shows annual consumption on a kWh basis.

Figure 2.2 Residential Electricity Prices (c/kWh) as at 1 January 2008 – Normalised Consumption

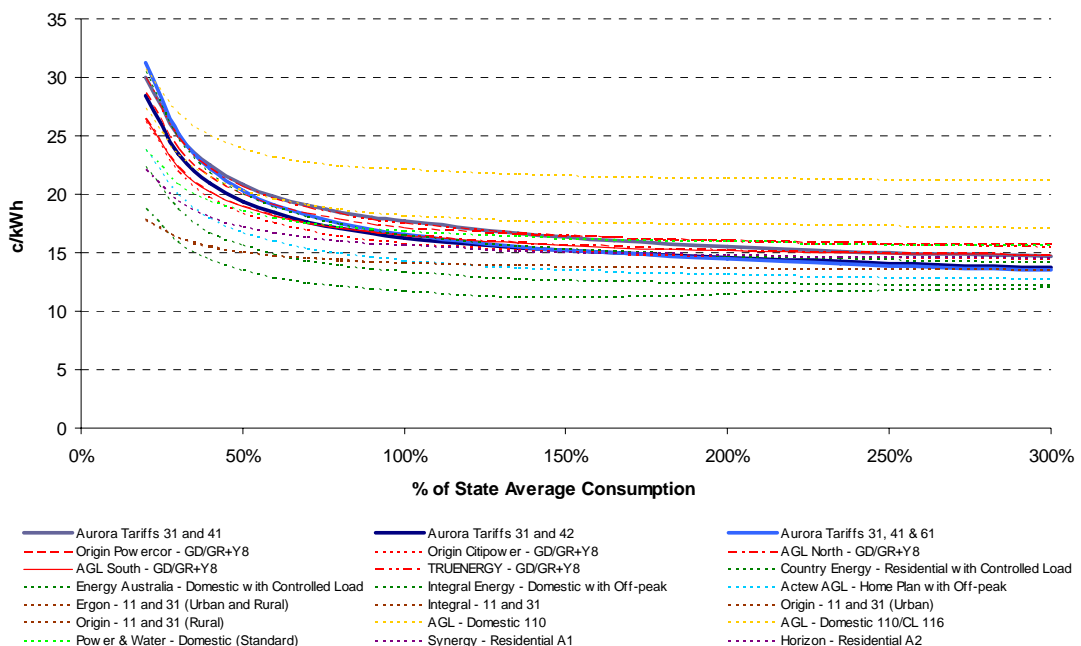


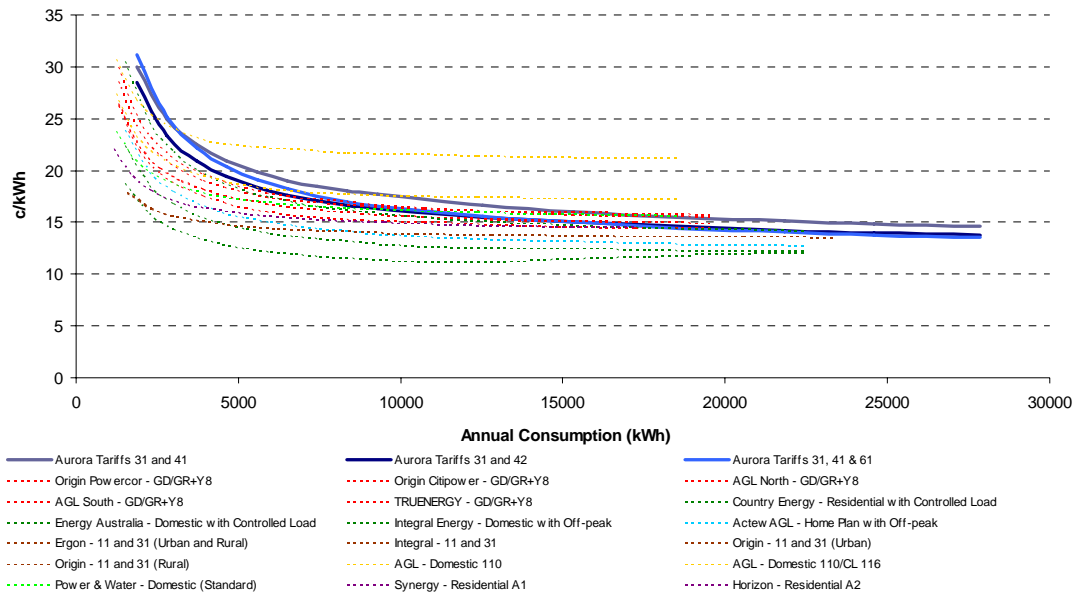
Figure 2.3 Residential Electricity Prices (c/kWh) as at 1 January 2008 –Consumption

Figure 2.2 and Figure 2.3 illustrate that Tasmanian residential standard tariff low consumption customers, at around 50 per cent of State average consumption, face an average cost for their electricity of between 19.4 c/kWh and 20.9 c/kWh. By contrast, high consumption customers, at 200 per cent of State average consumption, experience an average cost of between 14.5 c/kWh and 15.5 c/kWh.

2.1.1.1 Concessions

There are a range of concession schemes available across states providing for a reduction in electricity charges for pensioners and other concession card holders. As at 1 January 2008, the concession available to Tasmanian Pensioner Concession Card and Health Care Card holders is 82.3 cents per day off the fixed charge portion of Tariff 31. This totals a concession of \$300 per annum, which is the most generous concession available in Australia. Furthermore, eligibility for concessions is generally broader in Tasmania than in other states, with around one in three residential customers receiving the concession. A summary of the concessions available in each state is in Appendix 1.

Figure 2.4 and Figure 2.5 demonstrate the range of prices for common residential tariffs across Australia, taking account of any concessions available as at 1 January 2008.

Figure 2.4 normalises consumption on the basis of percentage of State average residential consumption, while Figure 2.5 shows annual consumption on a kWh basis.

Figure 2.4 Residential Concession Comparison as at 1 January 2008 – Normalised Consumption

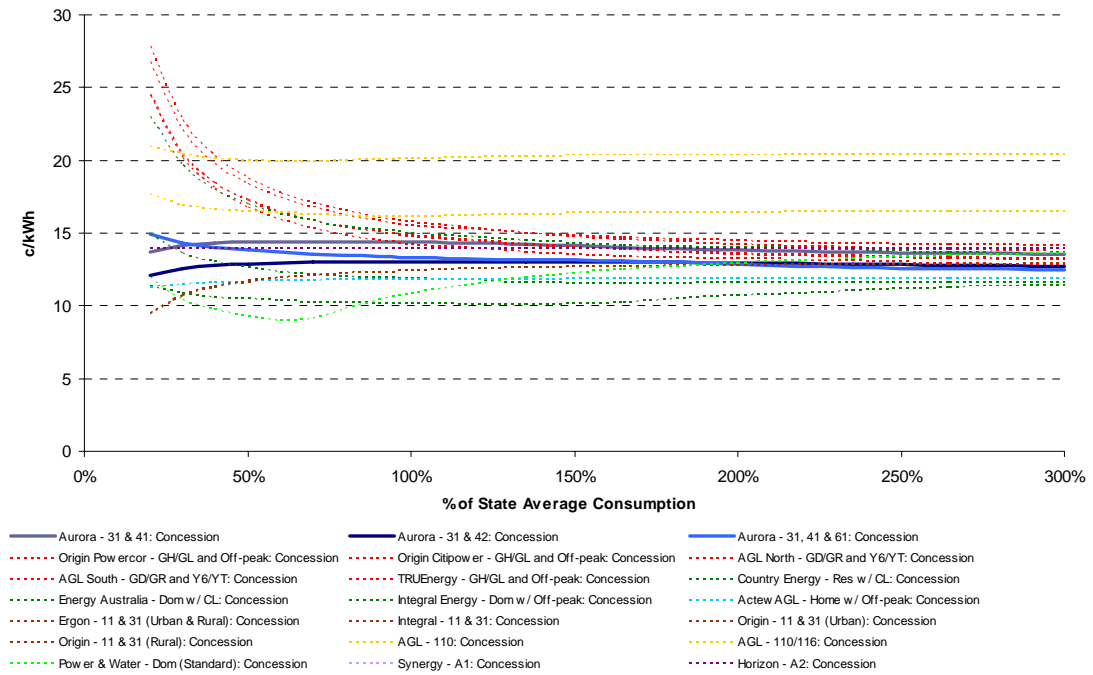


Figure 2.5 Residential Concession Comparison as at 1 January 2008 – Consumption

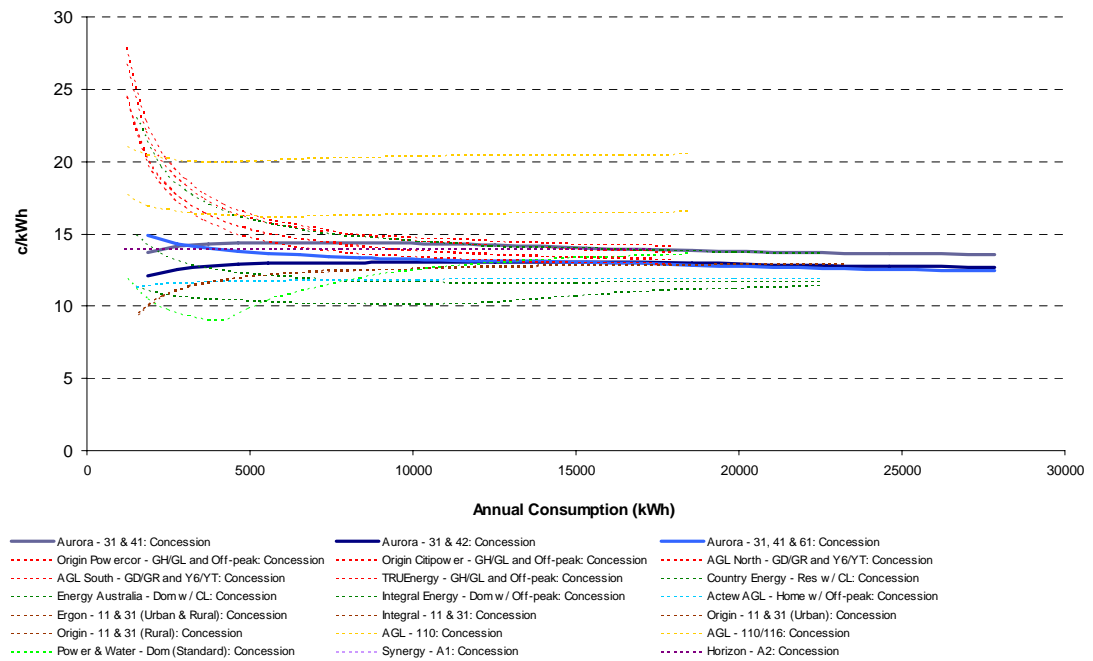


Figure 2.4 and Figure 2.5 illustrate the effect the Tasmanian concession has on removing the impact of the fixed charge of tariff 31 thereby removing the curve at

the low end of consumption and reducing prices. As such, Tasmanian concession customers experience a price in the mid to low range of that experienced across Australia at consumption levels from 50 to 200 per cent of State average consumption.

2.2 Business

2.2.1 Interstate Comparisons

It is difficult to obtain comparative prices for business customers because of the differing competition arrangements (and hence access to price information) between states. All customers are now contestable in New South Wales, Victoria, South Australia and the ACT, but a number of these states have safety net tariffs and/or other arrangements in place to protect vulnerable customers. Queensland has recently decided to adopt full retail contestability from 1 July 2007 with some safety net tariffs remaining in place.

Contestable customers may take supply under individual contracts with retailers rather than under published tariffs. There is no public disclosure of current contract prices. The ESAA has ceased to provide estimates of contestable prices¹ due to the difficulty in obtaining contract prices. The following analysis has been undertaken using publicly available tariffs; however as noted, these may not represent the prices actually available under contracts.

The price curves developed for small business customers followed a similar methodology to that used for residential customers, with the following exceptions:

- consumption was not normalised across States, as there is less variability in the 'typical' business consumption between States, being more a result of the nature of the commercial activity than local factors; and
- the consumption range was chosen to represent Tasmanian Tranche 5 customers, 1 MWh per annum to 150 MWh per annum.

Figure 2.6 and Figure 2.7 show the range of prices per unit consumption (c/kWh) for common business tariffs available as at 8 January 2008. Victoria has recently removed all safety net tariffs for small business customers, instead requiring customers currently on standard tariffs to accept market-based contracts. Given the lack of available information for contestable contract prices, Victorian prices are not included in this comparison.

Figure 2.7 concentrates on the low end of consumption to highlight the price curve and the impact of the fixed charge component of the tariffs. At higher consumption levels, the price per unit converges with the marginal energy rate.

¹ Electricity Prices in Australia 2003-04, ESAA.

Figure 2.6 Business Electricity Prices (c/kWh) as at 8 January 2008

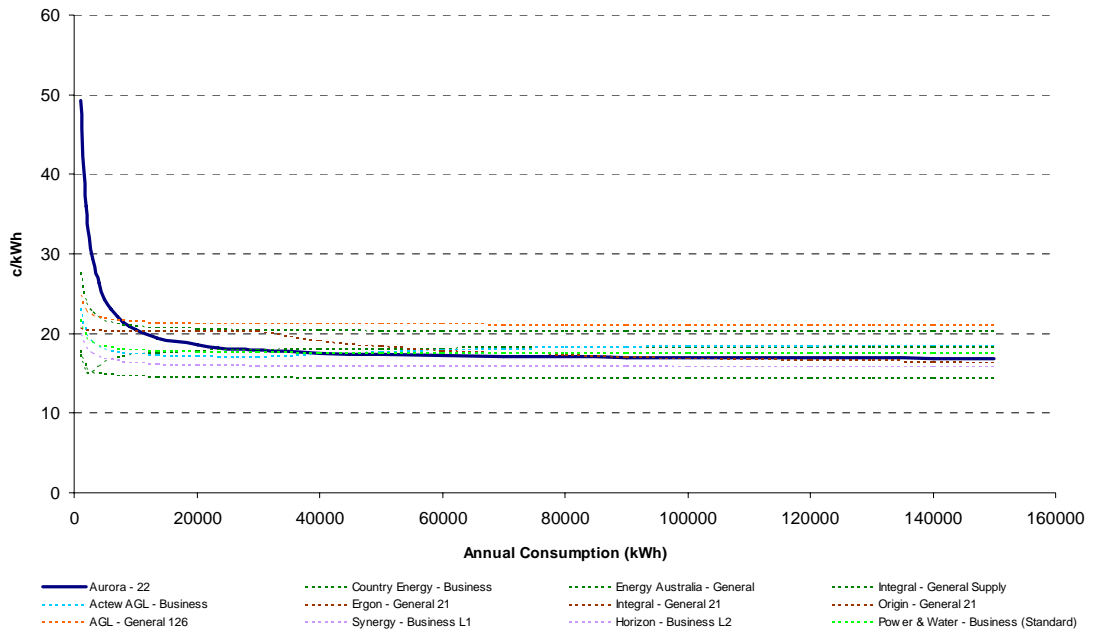


Figure 2.7 Business Electricity Prices (c/kWh) as at 8 January 2008 – consumption up to 40 MWh per annum

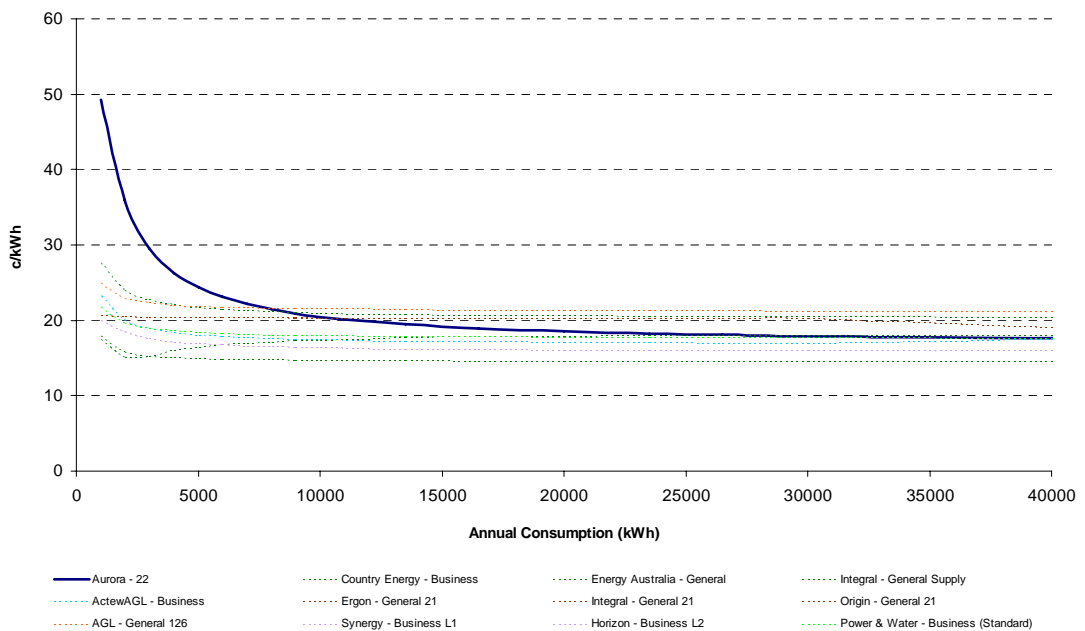


Figure 2.6 and Figure 2.7 illustrate that Tasmanian Tranche 5 business customers consuming up to 5 000 kWh per annum (approximately \$250 per quarter) experience rates of around 24 c/kWh; however, very few customers would have this level of consumption. Business customers that consume between 20 000 kWh per annum

(approximately \$800 per quarter) and 40 000 kWh per annum enjoy prices between and 18.5 c/kWh and 17.6 c/kWh.

Figure 2.8 and Figure 2.9 show comparative price curves for business tariffs available in Tasmania by showing the range of prices per consumption unit (c/kWh) of Aurora's tariff 22 (business general supply) compared to tariff 82 (industrial low-voltage demand) at various load factors.

The Load Factor is the ratio of average demand to peak demand, calculated as:

$$\frac{\text{Energy (kWh)}}{\text{Peak Load (kW) x Period Hours}}$$

A low Load Factor means that there is an occasionally high demand set. To service that peak, capacity sits idle for long period of time and thus imposes higher costs. A high Load Factor indicates that power usage is constant, resulting in lower costs.

Figure 2.8 shows consumption up to 50 MWh per annum to accentuate the price curve at low consumption levels. Figure 2.9 shows the price curves for consumption up to 4.5 GWh per annum, which is just above the cut-off point for Tranche 3 customers.

Figure 2.8 Comparison of Tasmanian business tariff offerings, consumption up to 50 MWh per annum, as at 8 January 2008

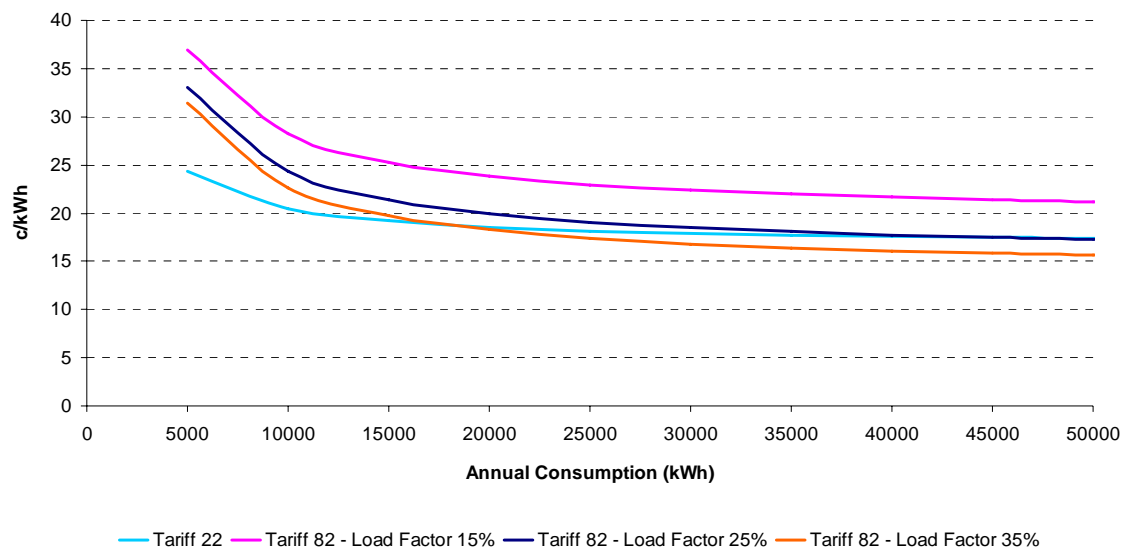


Figure 2.9 Comparison of Tasmanian business tariff offerings, consumption up to 0.45 GWh per annum, as at 8 January 2008

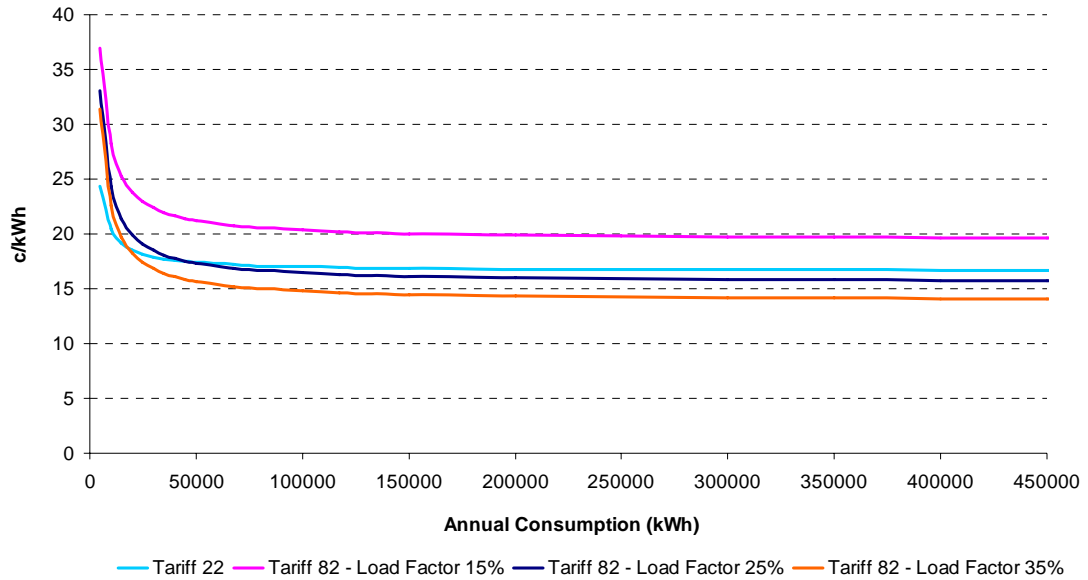


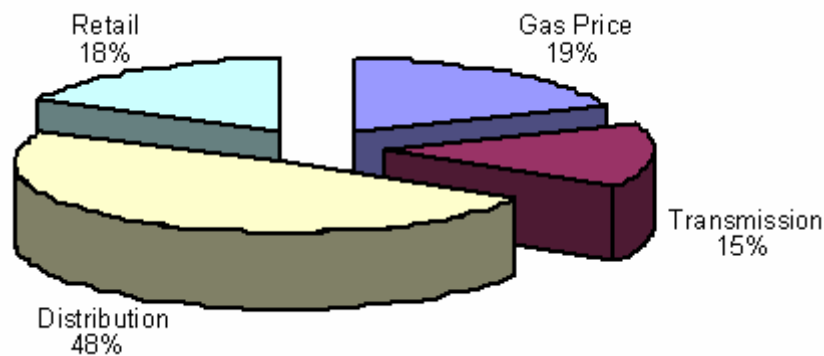
Figure 2.8 illustrates that for consumption less than 20 000 kWh per annum, Tasmanian business customers experience a lower cost per consumption unit on tariff 22 than on tariff 82 at load factors ranging from 15 to 35 per cent. For consumption less than 60 000 kWh per annum, the price per unit of consumption for tariff 22 is lower than tariff 82 at load factors of 15 and 25 per cent.

Figure 2.9 shows that businesses on tariff 82 with load factors of 25 and 35 per cent experience lower prices than those on tariff 22 for consumption over 60 000 kWh per annum.

3 NATURAL GAS

For the average customer on a reticulated natural gas retail tariff, the breakdown in costs is approximately 19 per cent for the cost of the energy (gas price), 15 per cent for transmission, 48 per cent for distribution and 18 per cent for retail. These numbers are approximate and differ for each tariff, but give a reasonable indication of the impact that each part of the industry has on the final bill.

Figure 3.1 Natural Gas Bill Breakdown



The net retail margin for Tasmanian natural gas retailers will actually be much less than 18 per cent, as this figure does not take into account the ‘cost to serve’ incurred by the retailer. The Tasmanian net retail margin appears similar to the net retail margin in Victoria.

The following comparisons are undertaken using tariffs available as at 1 January 2008. The tariff combinations used are outlined in Appendix 1.

3.1 Residential

3.1.1 Interstate Comparisons

Meaningful comparisons between interstate prices require consideration of the many factors that characterise each market. The prices in each state reflect local cost structures, the balance between natural gas and electricity usage and the differing weights placed on fixed (daily charges) and variable (energy related) charges.

Key variations that impact on interstate comparisons include:

- Most mainland companies offer peak and off-peak energy rates reflecting the fact that those systems are capacity restrained. The two gas retailers operating in Tasmania currently do not have peak and off-peak pricing policies.

- The Tasmanian gas industry is still in its infancy and currently has a small customer base.
- There are large variations from state to state in consumption levels. This is a result of many factors including climate and the balance between electricity and natural gas usage.

Currently the Tasmanian market for natural gas is small, with the roll out of infrastructure around the State still taking place. Amongst this small customer base, residential customers' average consumption levels are anticipated to be around 43 GJ per annum. This level of consumption is in the mid-range of most mainland states, greater than South Australia and Western Australia and considerably less than New South Wales and the Australian Capital Territory (ACT), which both have higher natural gas usage due to climate conditions and the balance between electricity and gas usage. As with electricity, there is variation in average residential natural gas consumption levels between states, as highlighted in Chapter 10.

A similar approach to that used for the electricity price curves has been used for the interstate gas comparison. Under this approach, consumption has been normalised to allow comparison of similar households between States.

Figure 3.2 and Figure 3.3 show the range of prices per unit consumption (c/MJ) for common residential tariffs available as at 1 January 2008. Figure 3.2 normalises consumption on the basis of percentage of State average residential consumption, while Figure 3.3 shows annual consumption on a MJ basis.

Figure 3.2 Residential Natural Gas prices (c/MJ) as at 1 January 2008 – Normalised Consumption

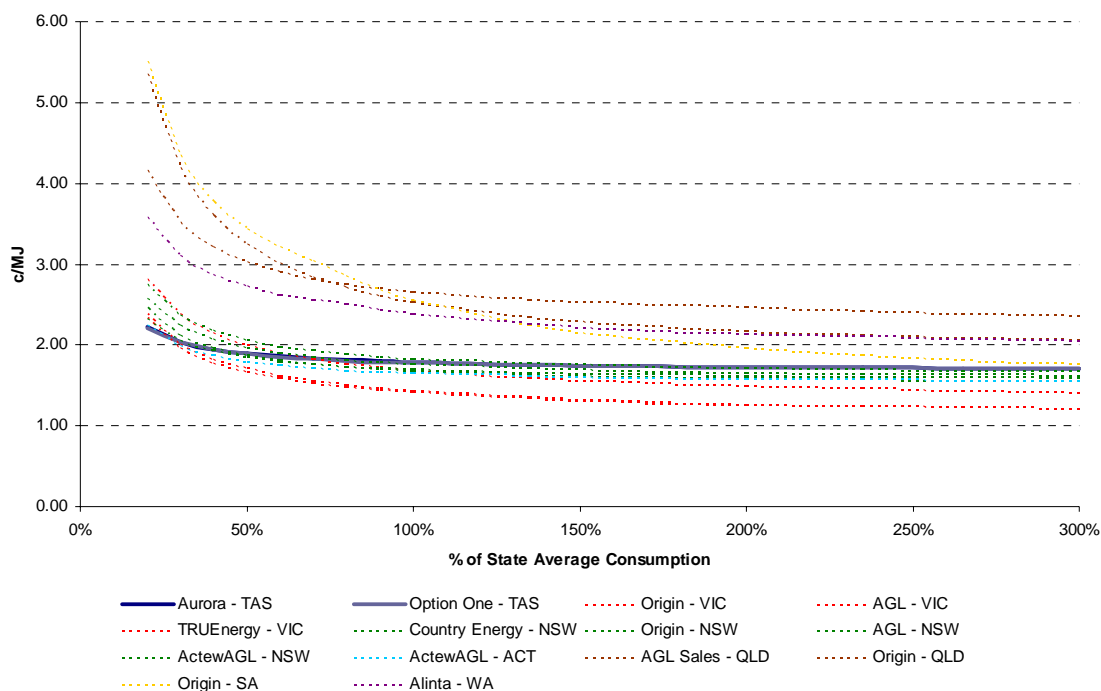


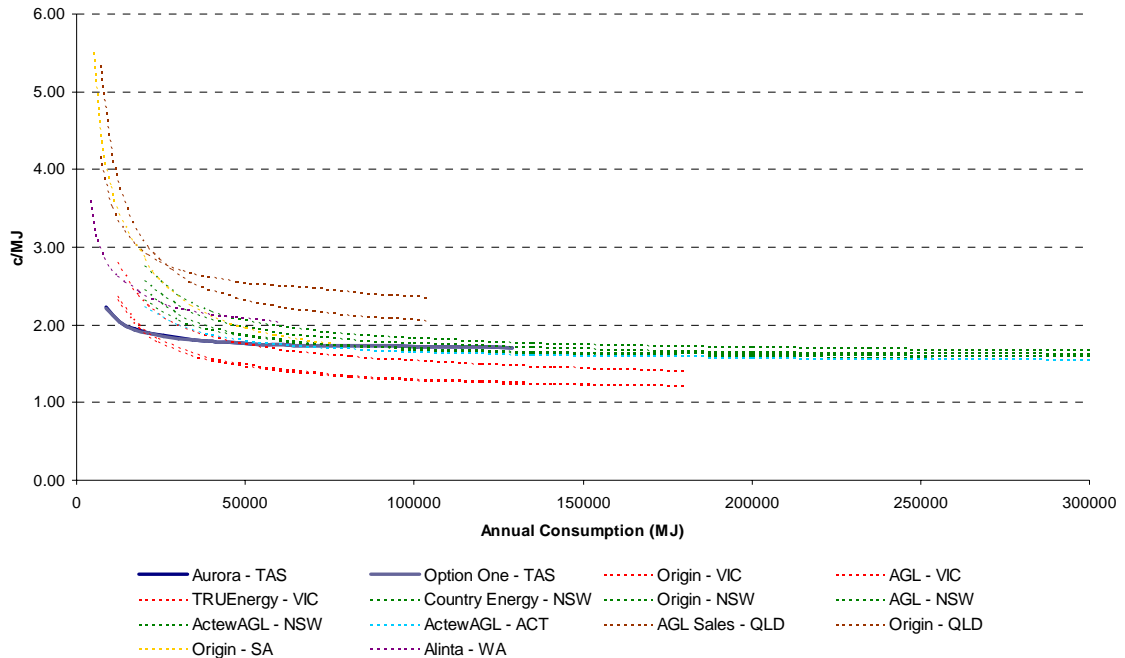
Figure 3.3 Residential Natural Gas Prices (c/MJ) as at 1 January 2008 – Consumption

Figure 3.2 and Figure 3.3 both show that low consumption customers, at around 50 per cent of State average consumption, will pay around 1.9 c/MJ. High consumption customers, at 200 per cent of State average consumption, will pay around 1.7 c/MJ. However, in creating this comparison, a number of assumptions have been used, including the following:

- the tariffs chosen are representative of what consumers pay, and do not take into account any discounts or special deals that may be obtainable (particularly dual fuel deals);
- that a majority of customers consume close to the typical consumption level; and
- that the split between peak and off-peak consumption has been accurately estimated. It is important to note that electricity peak and off-peak varies by time of day, whilst for natural gas peak and off-peak is based on time of year.

With these assumptions in mind, it is still apparent that Tasmania is paying in the low to mid range of natural gas prices across Australia. Victoria is the only State to offer lower prices per megajoule of natural gas consumed, while Queensland, Western Australian and South Australian customers all pay significantly higher prices for natural gas under this model.

3.2 Business

3.2.1 Interstate Comparisons

It is difficult to obtain comparative prices for business customers because of the differing competition arrangements (and hence access to price information) between states. All customers are now contestable in Victoria, New South Wales, South Australia, Western Australia, the ACT and Queensland (as of 1 July 2007). Natural gas retailing in Tasmania has been fully contestable from its inception.

The price curves developed for small business customers follow a similar methodology to that used for residential customers, with the exception that consumption was not normalised across states, as there is less variability in the 'typical' business consumption between states, being more a result of the nature of the commercial activity than local factors.

Figure 3.4 and Figure 3.5 show the range of prices per unit consumption (c/MJ) for common business tariffs available as at 1 January 2008. Victoria has recently removed all safety net tariffs for small business customers, instead requiring customers currently on standard tariffs to accept market-based contracts. Given the lack of information available for contestable contract prices, Victorian prices are not included in this comparison.

Figure 3.5 concentrates on the low end of consumption to highlight the price curve and the impact of the fixed charge component of the tariffs. At higher consumption levels, the price per unit converges with the marginal energy rate.

Figure 3.4 Business Natural Gas prices (c/MJ) as at 1 January 2008

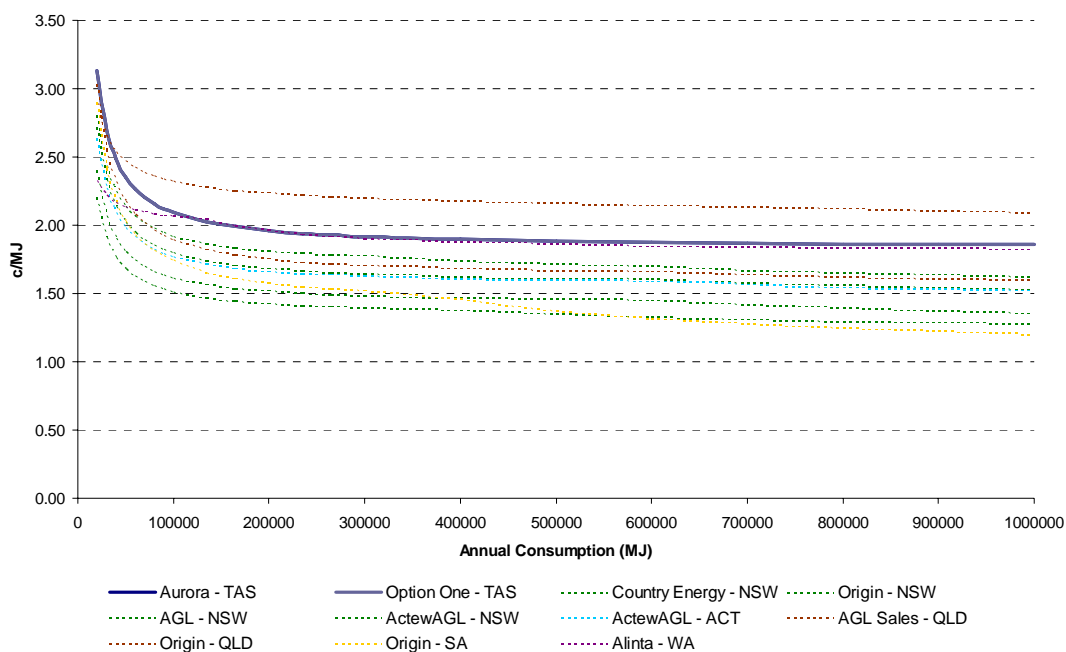


Figure 3.5 Business Natural Gas prices (c/MJ) as at 1 January 2008 –Consumption up to 200 GJ per annum

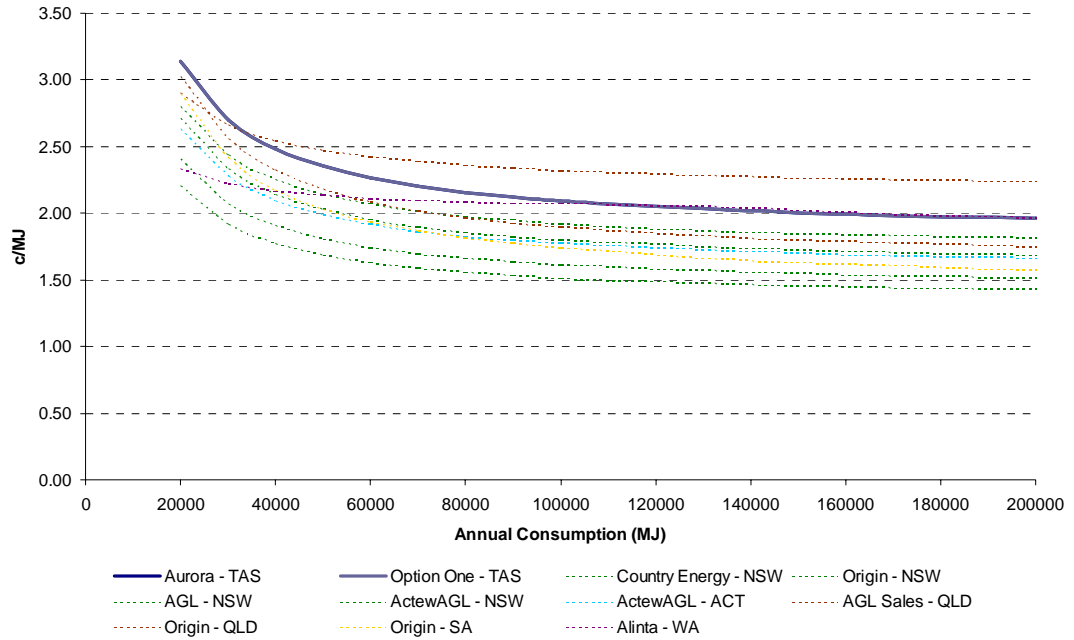


Figure 3.4 and Figure 3.5 show that for low consumption Tasmanian natural business customers (around 50 GJ per annum) prices are about 2.4 c/MJ. High consumption customers, using around 200 GJ, experience rates around 2 c/MJ.

4 APPENDIX

4.1 Electricity

4.1.1 Electricity Residential Price Comparison – Data

For each state, residential tariffs were obtained from a selection of the standing offers of major retailers as listed in Table 1. Where there were a number of alternative tariffs available the cheapest or most commonly used was chosen as being most representative for customers in that state.

Table 1 Residential Tariffs

State	Retailer	Tariffs used
Tasmania	Aurora	31 Light and Power 41 Hot Water 42 Hydroheat 61 Off-peak
Victoria	Origin Energy	GD/GR (standard) Y8 (off-peak)
	AGL	GD/GR (standard) Y8 (off-peak)
	TRUEnergy	GD/GR (standard) Y8 (off-peak)
New South Wales	Country Energy	Residential Controlled load 1
	Energy Australia	Domestic Controlled load
	Integral	Domestic Off-peak 1
ACT	ACTEWAGL	Home Plan
Queensland	Ergon	11 Urban 11 Rural 31 Urban (hot water) 31 Rural (hot water)
	Integral	11 Urban 31 Urban (hot water)
	Origin	11 Urban 11 Rural 31 Urban (hot water) 31 Rural (hot water)
South Australia	AGL	110 Light/Power
Western Australia	Synergy	A1 (standard)
	Horizon Power	A2 (standard)
Northern Territory	NT Power & Water	Domestic (standard)

Typical consumption levels for each state, as shown in Table 2, were obtained from ESAA. Tariff combinations, including the consumption ratios, were obtained from a variety of sources as outlined in Table 2.

Three tariff combinations were chosen for Tasmania. These combinations account for approximately 90 per cent of residential customers in Tasmania.

In the *2006-07 Energy Retail Performance – Consumer Snapshot, January 2008* paper, the Essential Services Commission observe that a typical Victorian customer on a standard offer will be on the GD/GR+Y8 tariff combination. This tariff combination is only available to installations currently taking supply under this tariff.

For New South Wales, three typical tariff combinations were drawn from an IPART media release on electricity price increases.

For the Australian Capital Territory, the tariff combination was drawn from an ActewAGL pricing strategy statement submitted to ICRC.

Queensland tariff combinations were drawn from the Integral Energy price fact sheet.

In South Australia, advice was received from ESCOSA as to the typical tariff combinations and consumption split.

In Western Australia and the Northern Territory no Off-Peak or alternative tariff is available.

Table 2 Typical Consumption Levels and Tariff Consumption Split

State	Typical Consumption (kWh pa)	Tariff Consumption Split	Source (Consumption Split)
Tasmania	9 283	Tariff 31 & 41 – 55:45 Tariff 31 & 42 – 35:65 Tariff 31, 41 & 61 – 40:30:30	Office of the Tasmanian Energy Regulator – Typical Electricity Customers Information Paper
Victoria	6 500	Standard & Off-Peak – 62:38	ESC 2005-06 Energy Retail Performance – Consumer Snapshot
New South Wales	7 500	Standard & Controlled Load/Off-Peak – 60:40	IPART Media Release – Electricity prices to increase for residential and small businesses
ACT	7 500	Standard & Off-Peak – 60:40	ICRC and ACTEWAGL Pricing Strategy Statement
Queensland	7 767	Tariff 11 & 31 – 75:25	Integral Energy Price Fact Sheet – Typical Customers

State	Typical Consumption (kWh pa)	Tariff Consumption Split	Source (Consumption Split)
South Australia	6 185	Standard – 100 Standard & Off-Peak – 65:35	ESCOSA
Western Australia	5 760	Standard – 100 (no Off-Peak)	N/A
Northern Territory	6 185	Standard – 100 (no Off-Peak)	N/A

Price curves presenting concession prices include the concessions outlined in Table 3.

Table 3 Summary of Concessions Available by State

State	Concession Available
Tasmania	82.3 cents per day, \$300 per annum
Victoria	17 per cent off winter quarter bills (issued between May and November) 13 per cent off off-peak tariff consumption charges (available all year)
New South Wales	\$112 per annum
ACT	Summer rebate of 24.39 cents per day (Nov – May). Winter rebate of 89.82 cents per day (June – Oct) up to a maximum of \$189.11 per annum
Queensland	\$10.84 per month, maximum of \$130 per annum
South Australia	\$120 per annum
Western Australia	Rebate on supply charge of 25.57 cents per day
Northern Territory	50 per cent off quarterly account, up to a maximum of \$1 per day

4.1.2 Electricity Business Price Comparison – Data

For each state general business tariffs were obtained from a selection of major retailers as listed in Table 4. Where there were a number of alternative tariffs the cheapest or most commonly used was chosen as being most representative for customers in that state.

Table 4 Business Tariffs

State	Retailer	Tariffs used
Tasmania	Aurora	22
NSW	Country Energy	Business
	Energy Australia	General Low Voltage
	Integral	General Supply
ACT	ACTEWAGL	Business
Queensland	Ergon	General 21
	Integral	General 21
	Origin	General 21
South Australia	AGL	General 126
Western Australia	Synergy	L1
	Horizon Power	L2
Northern Territory	Power and Water	Business - Standard

Using a standard typical business customer across all States and Territories reflects that businesses will generally have similar consumption patterns and usage regardless of their location. This therefore gives an accurate comparison of differences in price range for each State and Territory across a range of consumption levels.

4.2 Gas

4.2.1 Natural Gas Residential Price Comparison – Data

For each state, residential tariffs were obtained from a selection of the major retailers as listed in Table 5. Where there were a number of alternative tariffs available the cheapest or most commonly used was chosen as being most representative for customers in that state.

Table 5 Residential Tariffs

State	Retailer	Tariffs used
Tasmania	Aurora	
	Option One	
Victoria	AGL	South
		North

State	Retailer	Tariffs used
	Origin Energy	North South-East Metro West Gippsland Murray Valley Mildura
	TRUenergy	Central North West Wimmera
South Australia	Origin Energy	Metropolitan Adelaide Mount Gambier Port Pirie Riverland and Murray Bridge Whyalla
	AGL	Residential
New South Wales	AGL	Residential
	Country Energy	Wagga Wagga and Uranquinty Tumut and Gundagai Henty, Culcairn, Hollbrook and Walla Walla Temora Cooma and Bombala
	Origin Energy	Albury, Jindera and Moama Murray Valley Towns
	Actew AGL	Capital Queanbeyan Shoalhaven
Queensland	AGL Sales (Queensland)	Residential
	Origin Energy	Brisbane North and Ipswich Northern Wide Bay Area
ACT	Actew AGL	Residential
Western Australia	Alinta	Coastal Albany Kalgoorlie
Northern Territory	No information available	No information available

For tariffs with a combination of peak and off-peak usage, 65 per cent of usage was deemed peak usage whilst the remaining 35 per cent was regarded as off-peak.

Typical consumption levels were then either obtained or estimated as indicated in Table 6.

Table 6 Typical consumption levels

State	Typical consumption levels (GJ pa)	Source
Tasmania	43 GJ	Option One
Victoria	60 GJ	ESAA
South Australia	25 GJ	ESCOSA
New South Wales	100 GJ	ESAA
Queensland	35 GJ	ESAA
ACT	100 GJ	ESAA
Western Australia	20 GJ	ESAA
Northern Territory	N/A	Information Unavailable

4.2.2 Natural Gas Business Price Comparison – Data

For each state general business tariffs were obtained from a selection of major retailers as listed in Table 7. Where there were a number of alternative tariffs the most commonly used was chosen as being most representative for customers in that state.

Table 7 Business Tariffs

State	Retailer	Tariffs used	
Tasmania	Aurora		
	Option One		
South Australia	AGL	Metro	
		Mount Gambier	
		Port Pirie	
		Riverland and Murray Bridge	
		Whyalla	
New South Wales	Actew AGL	Queanbeyan	
		Capital	
		Shoalhaven	
	AGL		
		Country Energy	Wagga Wagga and Uranquinty
			Tumut and Gundagai
Henty, Culcairn, Hollbrook and Walla Walla			
		Temora	
		Cooma and Bombala	

State	Retailer	Tariffs used
	Origin Energy	Albury, Jindera and Moama Murray Valley
Queensland	AGL Sales (Queensland)	
	Origin Energy	Brisbane North and Ipswich Northern Wide Bay Area
ACT	Actew AGL	
Western Australia	Alinta	Coastal Albany Kalgoorlie
Northern Territory	No information available	No information available

Using a standard typical business customer across all States and Territories reflects that businesses will generally have similar consumption patterns and usage regardless of their location. This therefore gives an accurate comparison of differences in price range for each State and Territory across a range of consumption levels.