



Media Release
21 June 2013

APPROVAL OF ELECTRICITY PRICES TO APPLY FROM 1 JULY 2013

The Tasmanian Economic Regulator has approved a 1.8 per cent increase in Aurora Energy's electricity charges from 1 July 2013. This increase applies to all residential customers and some small business customers.

This determination allows the price regulation arrangements that have applied in the past to continue until new arrangements are introduced as part of the Government's reform of the Tasmanian electricity sector.

Mr Glenn Appleyard, the Chairman of the Tasmanian Economic Regulator, said that "...for this determination the Regulator was essentially required to inflate the various components of the electricity price adopted in the Regulator's 2012-13 electricity price approval to account for movements in the Consumer Price Index."

Renewable energy costs were higher than expected due to increases in the number of certificates the Clean Energy Regulator required retailers to purchase or create. However, Mr Appleyard noted that "...the overall increase is broadly in line with changes in the Consumer Price Index."

In the ordinary course of events the Regulator would have been required to set prices for a 12 month period. However, under the changes introduced as part of the Government's energy reforms, the prices will apply for the six month period ending on 31 December 2013.

After that date, all residential and some small business customers will have the option of entering into a market contract with one of the retailers who are successful in purchasing Aurora's retail customers.

In this regard Mr Appleyard noted that the Regulator would shortly be determining standing offer prices that are to apply from 1 January 2014. Mr Appleyard explained that "...the standing offer prices will apply to those customers choosing not to enter into a market contract with one of the acquiring retailers."

The Regulator's reasons for the approval are set down in a Statement of Reasons that is published on its website.

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Copies of Aurora's Retail Tariff Pricing
Proposal and the Regulator's Statement of
Reasons for the Approval of Retail Tariffs
are available at:
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