



Notice of Inquiry into the National Energy Market

On 20 August 2018 the then Treasurer, the Hon Scott Morrison MP, directed the ACCC to hold a public inquiry that will monitor the prices, profits and margins in the supply of electricity in the National Energy Market. The inquiry is pursuant to subsection 95H(1) of the *Competition and Consumer Act 2010*.

Matters to be monitored and taken into consideration in the inquiry include but are not limited to:

- I. electricity prices faced by customers in the National Energy Market including both the level and the spread of price offers, analysing how wholesale prices are influencing retail prices and whether any wholesale cost savings are being passed through to retail customers
- II. wholesale market prices including the contributing factors to these such as input costs, bidding behaviour and any other relevant factors
- III. the profits being made by electricity generators and retailers and the factors that have contributed to these
- IV. contract market liquidity, including assessing whether vertically integrated electricity suppliers are restricting competition and new entry, and
- V. the effect of policy changes resulting from recommendations made by the ACCC in its Retail Electricity Pricing Inquiry report of July 2018.

Where appropriate, the inquiry will make recommendations to government(s) to take any proportional and targeted action considered necessary to remedy any failure by market participant(s) (or the market as a whole) to deliver competitive and efficient electricity prices for customers.

Conduct of the Inquiry

The inquiry commenced on 20 August 2018.

The inquiry will provide its first report by 31 March 2019 and at least every six months thereafter until the conclusion of the inquiry on 31 August 2025.

Further information about the Inquiry can be found on the ACCC's website

<https://www.accc.gov.au/regulated-infrastructure/energy/electricity-market-monitoring-2018-2025>.