1. On 11 May 2011, the Government announced the implementation of a new electricity pricing methodology and tariff structures for 2012-13. The new methodology is a fairer and more flexible pricing framework and will ensure future electricity prices more accurately reflect the underlying costs of supplying electricity to customers in Queensland.
2. The required legislative amendments to the *Electricity Act 1994* and *Electricity Regulation 2006*, to facilitate the introduction of the new pricing methodology, were introduced into the Legislative Assembly on 15 June 2011.
3. However, to enable a new methodology and tariff structures to be implemented from 1 July 2012, it was necessary for the Queensland Competition Authority (QCA) to commence consultation with stakeholders as soon as possible in 2011.
4. The Terms of Reference specify:
* the period for which the QCA’s price determination is to apply to;
* the timeframe within which the QCA is to make and publish reports on its price determination;
* the particular policies or principles the QCA is to consider when making its determination;
* the matters the QCA must consider when working out the notified prices; and
* the consultation requirements the QCA must comply with in making its price determination.
1. Cabinet endorsed that, following the enactment of the *Electricity Price Reform Amendment Bill 2011*, Terms of Reference be issued by the Minister for Energy and Water Utilities, under the *Electricity Act 1994*, directing the Queensland Competition Authority to develop regulated retail electricity prices (notified prices) and tariff structures for the period commencing 1 July 2012 to 30 June 2013.
2. *Attachments*
* Nil.