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The Hon Josh Frydenberg MP
Treasurer
The Hon Angus Taylor MP
Minister for Energy
Parliament House
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Dear Treasurer and Minister

Default market offer and reference bill

Thank you for your letter requesting the AER to develop a mechanism for determining the default market offer price and a mechanism for determining a reference bill, in accordance with recommendations 30, 32, 49 and 50 from the Australian Competition and Consumer Commission's Retail Electricity Pricing Inquiry.

The AER will commence work immediately in order to publish final determinations for default market offer prices and a reference bill by 30 April 2019. In developing the final determinations we will undertake appropriate stakeholder consultation and work closely with officials from the Treasury and the Department of the Environment and Energy.

As requested, we will provide fortnightly updates on our progress as part of the process.

Yours sincerely



Paula W. Conboy

Chair