

# New South Wales Energy Prices 2016



An Update Report on the NSW  
Tariff-Tracking Project



St Vincent de Paul Society  
*good works*



ALVISS  
CONSULTING

**New South Wales Energy Prices 2016**  
**An Update report on the NSW Tariff-Tracking Project**

**May Mauseth Johnston, October 2016**



[www.alvisconsulting.com](http://www.alvisconsulting.com)  
[twitter.com/AlvissC](https://twitter.com/AlvissC)

[www.vinnies.org.au](http://www.vinnies.org.au)  
[twitter.com/VinniesAust](https://twitter.com/VinniesAust)

**Contact: Gavin Dufty**

Manager, Social Policy Unit Victoria  
St Vincent de Paul Society  
Phone: (03) 98955816 or 0439 357 129  
[twitter.com/gavinduffy](https://twitter.com/gavinduffy)

**© St Vincent de Paul Society and Alvis Consulting Pty Ltd**

This work is copyright. Apart from any use permitted under the Copyright Act 1968 (Ctw), no parts may be adapted, reproduced, copied, stored, distributed, published or put to commercial use without prior written permission from the St Vincent de Paul Society.

**Disclaimer**

The energy offers, tariffs and bill calculations presented in this report and associated workbooks should be used as a general guide only and should not be relied upon. The workbooks are not an appropriate substitute for obtaining an offer from an energy retailer. The information presented in this report and the workbooks is not provided as financial advice. While we have taken great care to ensure accuracy of the information provided in this report and the workbooks, they are suitable for use only as a research and advocacy tool. We do not accept any legal responsibility for errors or inaccuracies. The St Vincent de Paul Society and Alvis Consulting Pty Ltd do not accept liability for any action taken based on the information provided in this report or the associated workbooks or for any loss, economic or otherwise, suffered as a result of reliance on the information presented. If you would like to obtain information about energy offers available to you as a customer, go to Australian Energy Regulator's ["Energy Made Easy"](#) website or contact the energy retailers directly.

**Acknowledgements**

This project was funded by Energy Consumers Australia ([www.energyconsumersaustralia.com.au](http://www.energyconsumersaustralia.com.au)) as part of its grants process for consumer advocacy projects and research projects for the benefit of consumers of electricity and natural gas.

The views expressed in this document do not necessarily reflect the views of Energy Consumers Australia.

## **Table of Contents**

<b>Acknowledgements</b>	<b>3</b>
<b>The NSW Tariff-Tracking Project: purpose and outputs</b>	<b>5</b>
<b>Key findings</b>	<b>6</b>
<b>1. Energy price changes from July 2015 to July 2016</b>	<b>8</b>
<b>2. Market offers September 2016</b>	<b>15</b>
2.1 Electricity market offers September 2016	15
2.1.1 Potential savings - Differences between electricity offers	17
2.1.2 Bills paid on time vs. bills paid late	24
2.2 Gas market offers September 2016	27
2.2.1 Potential savings - Differences between gas offers	29
2.2 Dual fuel offers September 2016	31
<b>3. Network charges</b>	<b>33</b>
<b>4. Solar Offers</b>	<b>37</b>
<b>5. Total cost of energy by area</b>	<b>45</b>
5.1 Inner Sydney, Northern Sydney, Swansea, Newcastle, Maitland, Cessnock Singleton and Upper Hunter	45
5.2 Western Sydney, Wollongong, Blue Mountains, Lithgow, Kandos, Moss Vale, Nowra, Ulladulla	46
5.3 Rural and Regional NSW	47

## The NSW Tariff-Tracking Project: purpose and outputs

To date, this project has tracked electricity and gas tariffs in NSW from July 2009 to July 2016, and developed a spreadsheet-based tool that allows consumer advocates to build on the initial analysis and continue to track changes as they occur.<sup>1</sup> The first report for the NSW Tariff-Tracking project was published in August 2011 and this is the fifth up-date report focusing on price changes that have occurred over the last year. A new addition to the Tariff-Tracking project this year is market offers available to new solar customers. The workbook allows users to calculate annual bills based on retailers' rates, feed in tariffs offered and additional discounts. Again, the user can enter consumption level as well as choosing to run the bill calculation based on 1.5 kW or 3 kW solar systems.

We have developed five workbooks that allow the user to enter consumption levels and analyse household bills for NSW gas and electricity offers.

Workbook 1: Regulated electricity offers July 2008-July 2016

Workbook 2: Regulated gas offers July 2009-July 2016

Workbook 3: Electricity market offers July 2011, 2012, 2013, 2014, 2015 and 2016<sup>2</sup>

Workbook 4: Gas market offers July 2011, 2012, 2013, 2014, 2015 and 2016

Workbook 5: Solar market offers post July 2016

The four workbooks and the reports are available at [www.vinnies.org.au/energy](http://www.vinnies.org.au/energy)

---

<sup>1</sup> The regulated electricity offers workbook also contains the 2008 rates

<sup>2</sup> All market offers are published offers and do not include special offers that retailers market through door-knocking campaigns or brokers. We use the retailers' websites to collect market offer for the Tariff-Tracking tool. If the retailer has more than one market offer we use the offer with the best rates/discounts that do not require direct debit arrangements. The Tariff-Tracking tool does not include any additional discounts or bonuses but key market offer features are listed in the spreadsheets. This report contains analysis of some of those features.

## Key findings

- NSW electricity standing offers that took effect in July 2015 produce annual bills that are typically \$160 - \$180, or 8%, more (depending on network area and meter type) than they were last year (July 2015).<sup>3</sup> See chart 1 in section 1 below.
- Customers on the 'transitional offer' until 1 July 2016 will experience higher electricity price increases.<sup>4</sup> In Endeavour and Essential's network areas, Origin's standing offer is 9-10% higher than last year's transitional offer (depending on network area and meter type). Energy Australia's standing offer in the Ausgrid network is 20% higher than last year's transitional offer. However, Energy Australia has advised us that customers previously on the transitional offer have been placed on a price path and the initial increase for this customer group is approximately 13%. See chart 2 in section 1.
- Gas prices have increased slightly (1-2%) in all pricing zones except in the Queanbeyan region where prices have decreased (5%). See chart 4 in section 1.
- Typical consumption households (7,200kWh) can save \$400 - \$430 per annum (depending on their network area) if switching from the incumbent retailer's standing offer to the best market offer.<sup>5</sup> See section 2.1.
- The average electricity market offer (including guaranteed and pay on time discounts) produces an annual bill of \$2,220 in the Essential Energy network, \$1,950 in Ausgrid and \$1,880 in Endeavour. See section 2.1.
- The difference between electricity market offers is significant but less than it was last year. The difference between the single best and the single worst market offer ranges from \$380 per annum (in Ausgrid's area) to \$260 (in Endeavour's area) for customers with typical consumption levels.<sup>6</sup> See section 2.1.
- The difference in annual bills between customers that pay on time and customers that pay late continues to increase and the difference to the annual bill is as high as \$566 in Essential's network (Covau Energy's offer). See section 2.1.2.

---

<sup>3</sup> Based on the incumbent retailers' standing offers as of July 2015 and July 2016

<sup>4</sup> Electricity customers on the regulated rate prior to 1 July 2014 were transferred to the 'transitional tariff'. The transitional tariff expired on 1 July 2016.

<sup>5</sup> Based on the incumbent retailer's standing offer (single rate) and the best of the published market offers (*including* additional discounts and/or pay on time discounts).

<sup>6</sup> Households using 7,200kWh per annum (single rate), market offers include pay on time discounts.

- Typical consumption gas customers in Jemena's Sydney price zone can potentially save \$100 on their annual gas bill (including pay on time discounts) by switching from the regulated offer to Red Energy's market offer.<sup>7</sup> See section 2.2.
- Compared to electricity offers, the difference between the best and the worst stand-alone gas market offers is very small. The difference between the best (Energy Australia) and the worst (Covau) market offers is just under \$60 per annum. Furthermore, the difference between the three big retailers (AGL, Origin and Energy Australia) is minuscule. See section 2.2.
- Network charges as proportion of total bill have flattened out or decreased in recent years. The network proportion of the retail bill is currently 41% in Ausgrid, 42% in Essential and 38% in Endeavour's network area. See section 3.
- The average annual bill for new solar customers (using 7,200 kWh/annum) with 3kW systems installed is around \$700 less compared to non-solar customers.<sup>8</sup> See section 4.
- With the closure of the NSW Solar Bonus Scheme many households will be searching for new solar offers in the coming months and this analysis has found that there is significant variation between retailers' solar offers. In Sydney (Ausgrid), for example, customers with a 1.5 kW system installed may save \$520 per annum if they are on Dodo's offer instead of Diamond Energy's. As Diamond offers a higher feed in tariff (FIT) of 8 cents compared to Dodo's 6.5 cents, this highlights the importance of solar customers not choosing retail offers based on FIT rates alone. See section 4.
- The annual energy cost for dual fuel households with typical consumption levels has increased by between \$125 and \$190.<sup>9</sup> See section 5.

---

<sup>7</sup> Based on the regulated offer (24,000Mj per annum) and the best of the published market offers (*including* additional discounts and/or pay on time discounts).

<sup>8</sup> New solar customers cannot access the NSW Solar Bonus Scheme

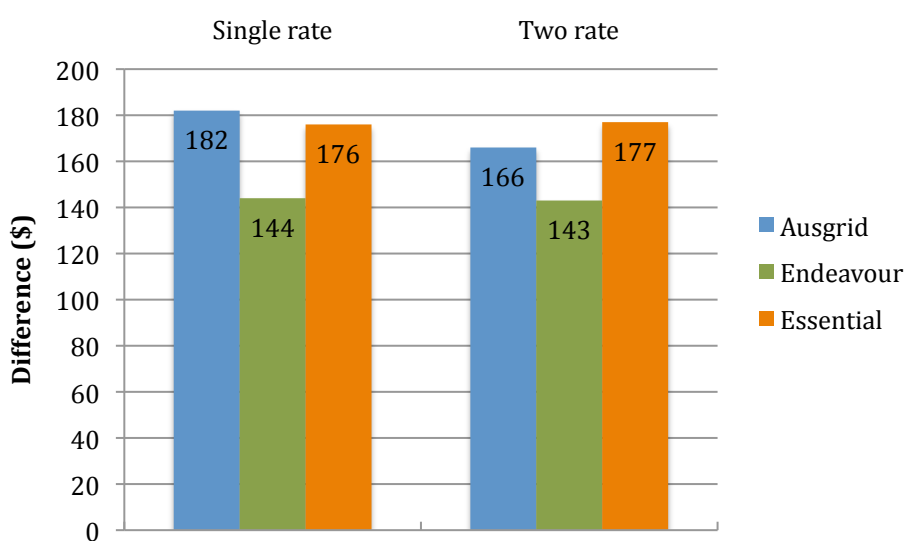
<sup>9</sup> Based on incumbent retailers' electricity standing offers (7,200kWh per annum, single rate) and the regulated gas offers (24,000Mj per annum) as of July 2015 and 2016.



## 1. Energy price changes from July 2015 to July 2016<sup>10</sup>

A comparison of the incumbent retailers' July 2015 standing offers with the July 2016 offers shows that electricity costs have increased by around 8%.<sup>11</sup> Compared to one year ago, prices are now typically \$160 to \$180 (depending on meter type) more per annum in the Ausgrid network. In the Endeavour network the typical annual bill will be \$145 more than last year and in country NSW (Essential's network) it is up by \$175. Chart 1 below shows annual increases for average consumption households (per meter type) in the three network areas.

**Chart 1** Changes to the annual electricity bill from July 2015 to July 2016 (incumbent retailers' standing offer), Based on 7,200kWh per annum for single rate and 8,000kWh per annum for customers with controlled load (30% off-peak 1), incl GST



Customers on the 'transitional offer' until 1 July 2016 will experience higher electricity price increases.<sup>12</sup> Energy Australia's standing offer in the Ausgrid network is 20% higher than last year's transitional offer.<sup>13</sup> In Endeavour and Essential's network areas, Origin's standing offer is 9-10% higher than last year's transitional

<sup>10</sup> These calculations are based on changes to the incumbent retailers' standing offer for single rate electricity customers using 7,200kWh per annum, changes to the incumbent retailers' standing offer for controlled load electricity customers (typically all-electric households) using 8,000kWh per annum (thereof 30% off-peak) and changes to the regulated offer for gas customers using 24,000Mj per annum.

<sup>11</sup> Energy Australia is the incumbent retailer in AusGrid's network and Origin Energy in the Essential and Endeavour networks.

<sup>12</sup> Electricity customers on the regulated rate prior to 1 July 2014 were transferred to the 'transitional tariff'. The transitional tariff expired on 1 July 2016.

<sup>13</sup> Energy Australia has advised us that customers previously on the transitional offer have been placed on a price path and the initial increase for this customer group is approximately 13%.

offer (depending on meter type). Chart 2 below shows annual increases for average consumption households that have moved from the incumbent retailer’s transitional offer to its standing offer in the three network areas.

**Chart 2** Increases to the annual electricity bill from July 2015 (transitional offer) to July 2016 (standing offer), Based on 7,200kWh per annum for single rate and 8,000kWh per annum for customers with controlled load (30% off-peak 1), incl GST

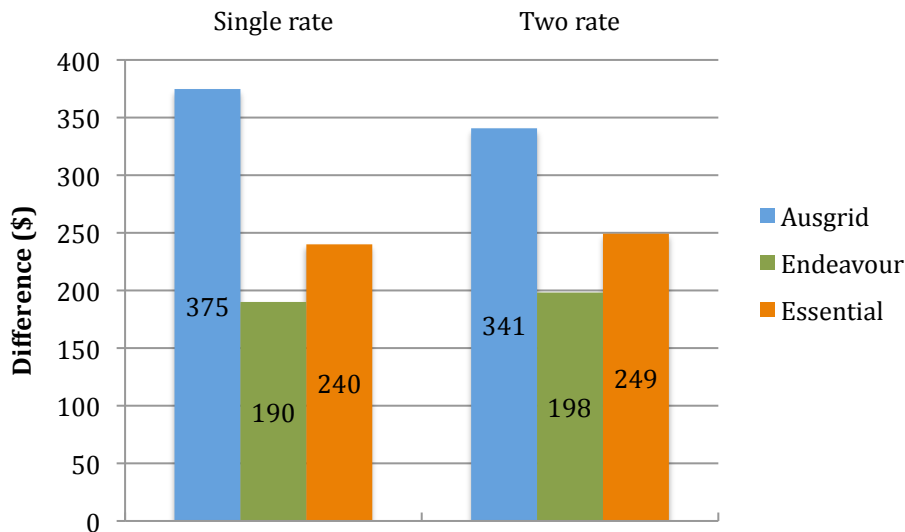
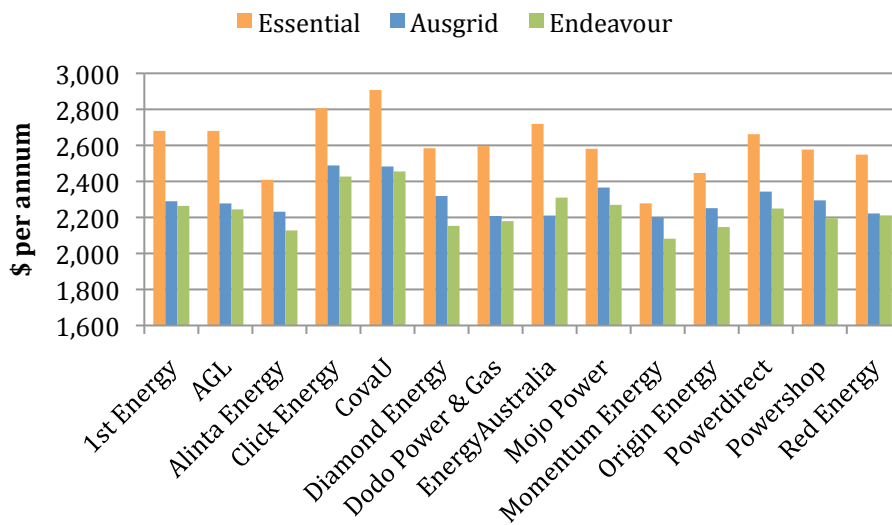


Chart 3 shows estimated annual bills for standing offer customers (single rate, 7,200kWh/annum) in each of the three network areas. The average standing offer is highest in Essential’s area (approximately \$2,600) while Endeavour and Ausgrid’s average standing offer is quite similar at around \$2,200-\$2,300. The maximum price spread (the difference between the best and the worst offer) is also highest in Essential at \$630. In Endeavour and Ausgrid, the maximum standing offer price spread is \$370 and \$290 respectively.<sup>14</sup>

<sup>14</sup> As new retailers enter the market and some retailers exit, many of the retailers included in this year’s analysis did not offer electricity to NSW consumers in July 2015 and we have therefore not compared 2015 and 2016 standing offer prices across all retailers. Furthermore, some retailers were not included in the standing offer analysis (e.g. Sanctuary, Simply and Commander) because of inaccessible, unreliable or outdated standing offer information.

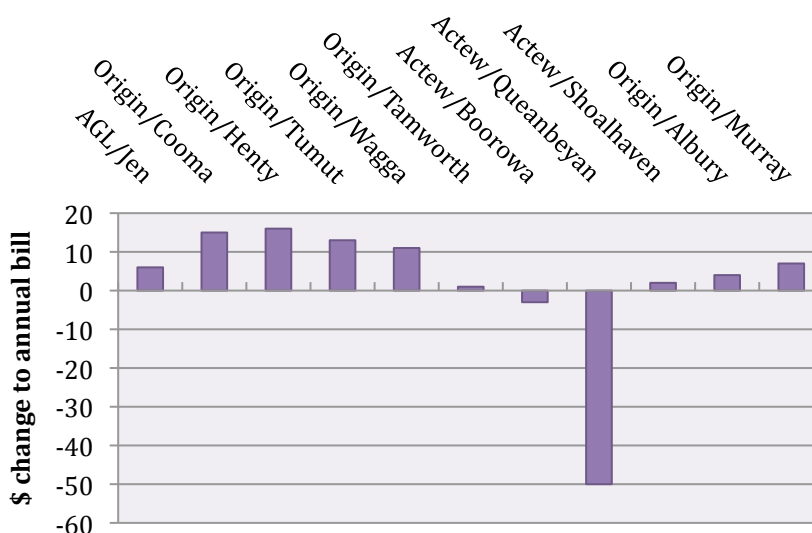
**Chart 3** Electricity standing offers as annual bills, July 2016, Based on 7,200kWh per annum for single rate, incl GST



As the NSW Government decided not to deregulate the gas retail market, the Independent Pricing and Regulatory Tribunal (IPART) continues to regulate the standing offer gas rates in NSW.

Compared to July 2015, gas prices have reduced significantly in the Queanbeyan region while most other gas zones have received small price increases.

**Chart 4** Changes to the annual cost of gas from July 2015 to July 2016 for households using 24,000Mj per annum



The three standard gas retailers are AGL, ActewAGL and Origin Energy. Jemena's Sydney zone (AGL) is the largest in terms of customer numbers. Origin is the incumbent retailer in seven pricing zones while ActewAGL is in three.

**Table 1** Gas supply areas in NSW

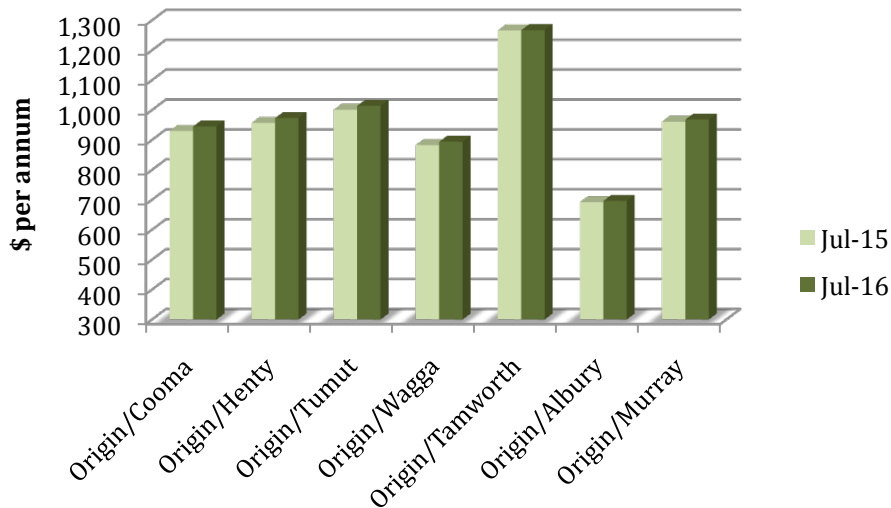
<b>NSW Gas Zones and incumbent retailers</b>	
<b>Jemena Sydney (AGL)</b>	Sydney, Newcastle, Wollongong, Blue Mountains
<b>Jemena Regional (ActewAGL)</b>	Boroowa, Goulburn, Yass and Young
<b>Envestra (Origin)</b>	Cooma and Bombala
	Temora*, Holbrook, Henty, Culcairn and Walla Walla
	Tumut and Gundagai
	Wagga Wagga and Uranquity
	Albury, Moama and Jindera
	Murray Valley Towns
<b>Central ranges (Origin)</b>	Tamworth
<b>ActewAGL (ActewAGL)</b>	Queanbeyan and Bundgendore
	Shoalhaven

\* Temora has been under the same pricing zone as Holbrook, Henty etc. since July 2013

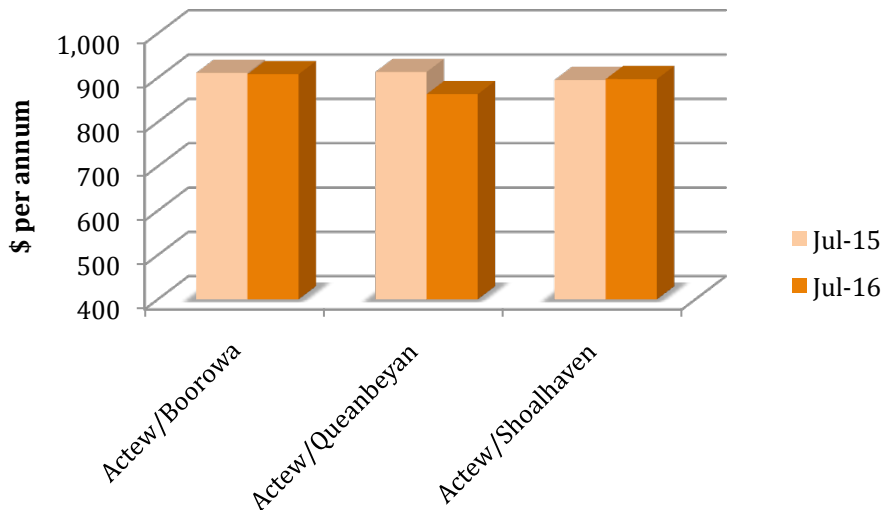
The difference between winter and summer consumption will vary significantly from household to household (depending primarily upon usage of gas space heating). The charts below do not adjust for increased winter consumption but assume consistent consumption levels throughout the year. Because of the seasonality of gas consumption and gas tariffs the annual bill calculations presented in this report are indicative only, and their primary purpose is to track changes over time and analyse differences between gas zones.

Charts 5 and 6 below show annual gas bills for the regional gas zones based on the regulated gas offers as of July 2015 and July 2016.

**Chart 5** Estimated annual bills for regulated gas offers in Origin’s areas, July 2015 and July 2016 (24,000Mj per annum, inc GST)<sup>15</sup>



**Chart 6** Estimated annual bills for regulated gas offers in ActewAGL’s areas, July 2015 and July 2016 (24,000Mj per annum, inc GST)<sup>16</sup>



<sup>15</sup> Note: The Cooma zone includes Bombala. The Henty zone includes Holbrook, Culcairn, Temora and Walla Walla. The Tumut zone includes Gundagai. The Wagga Wagga zone includes Uranquity. The Albury zone includes Moama and Jindera. The Murray Valley zone covers Murray Valley towns.

<sup>16</sup> Note: The Boorowa zone includes Goulbourn, Yass and Young. The Queanbeyan zone includes Bungendore.

Table 2 and 3 below highlight some of the price trends for NSW electricity and gas offers. For more detailed information about the areas and differences in energy price changes see section 5.

**Table 2** Changes to electricity prices by area July 2015 – July 2016<sup>17</sup>

Area	Approximate changes to annual bill since July 2015		Percentage
	Single rate	Two rate <sup>^</sup>	
<b>Inner Sydney, the Central Coast up to Newcastle, and inland areas such as Maitland, Cessnock, Singleton and Upper Hunter (Ausgrid)</b>	\$180	\$160	9%
<b>Western Sydney, most of the Illawara Coast, the Blue Mountains and inland towns such as Lithgow and Kandos (Endeavour Energy)</b>	\$145	\$145	7%
<b>Most of rural and regional NSW - from north of Port Stephens and Murrundi, south of Batemans Bay and east of Lithgow (Essential Energy)</b>	\$175	\$175	8%

<sup>^</sup> For all-electric households with peak/off-peak (controlled load) rates

<sup>17</sup> Based on household consumption of 7,200kWh per annum at the incumbent retailers' standing offer for the single rate tariff. The second calculation is based on household consumption of 8,000kWh per annum at the average standing offer rate for the controlled load tariff (30% of total consumption allocated to the off-peak rate).

**Table 3** Changes to gas prices by area July 2015 – July 2016<sup>18</sup>

<b>Area</b>	<b>Changes to annual bill since July 2015</b>	<b>Percentage</b>
<b>Sydney, Newcastle, Wollongong, Blue Mountains (AGL)</b>	\$5	1%
<b>Cooma and Bombala (Origin)</b>	\$15	2%
<b>Temora, Holbrook, Henty, Culcairn and Walla (Origin)</b>	\$15	2%
<b>Tumut and Gundagai (Origin)</b>	\$15	1%
<b>Wagga Wagga and Uranquity (Origin)</b>	\$10	1%
<b>Tamworth (Origin)</b>	\$0	0%
<b>Boroowa, Goulburn, Yass and Young (ActewAGL)</b>	\$0	0%
<b>Queanbeyan and Bundgendore (ActewAGL)</b>	-\$50	-5%
<b>Shoalhaven (ActewAGL)</b>	\$0	0%
<b>Albury, Moama and Jindera (Origin)</b>	\$5	1%
<b>Murray Valley Towns (Origin)</b>	\$5	1%

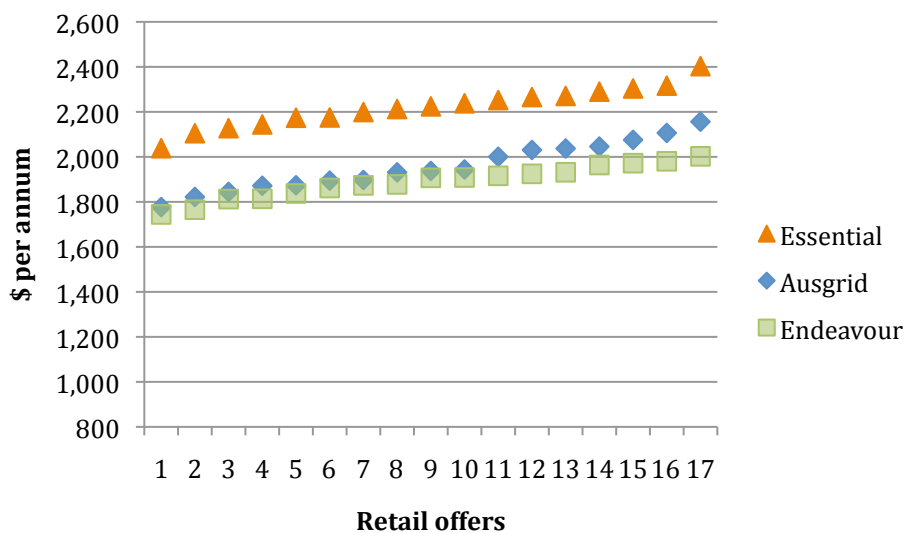
<sup>18</sup> Based on the regulated gas rates for customers using 24,000Mj per annum.

## 2. Market offers September 2016<sup>19</sup>

### 2.1 Electricity market offers September 2016

- Typical consumption households (7,200kWh) can save \$400 - \$430 per annum (depending on their network area) if switching from the incumbent retailer's standing offer to the best market offer.<sup>20</sup>
- The difference between the best and the worst market offer ranges from \$260 per annum (in Endeavour's area) to \$380 (in Ausgrid's area) for customers with typical consumption levels.<sup>21</sup> Chart 7 below shows the retail market offer price-spread within each of the three network areas.

**Chart 7** Price-spread for fifteen electricity market offers in each network area September 2016 (incl GST), including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)



<sup>19</sup> Some retailers post market offers (to reflect changes to the underlying network charges) later than others. Simply Energy's offer, for example, did not take effect before the 14<sup>th</sup> of September 2016 while other retailers had new offers available from 1 July. As Simply's "old" offer produced lower annual bills than most other retail offers (but also had the outdated name of "Autumn Sale") we decided to collect all offers as soon as all retailers had new offers post 1 July (when the network price changes occurred). All offers were thus collected on 15<sup>th</sup> of September. It should be noted that retailers may change their rates at any time. As retailers' tariff information can be inaccessible (i.e. information lacking from their website) or unreliable (i.e. tariff or offer information appears outdated or incorrect), we have not been able to include Sanctuary Energy in our analysis.

<sup>20</sup> Based on the incumbent retailer's standing offer (single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).

<sup>21</sup> Households using 7,200kWh per annum (single rate) and all market offer bills include additional discounts and/or pay on time discounts.



Table 4 below shows additional discounts applicable to the electricity retailers' published market offer rates. Table 4 also shows other contract terms and features, such as early termination fees, associated with these market offers. Some of the retailers have multiple market offers and may offer higher (or lower) discounts than those listed here. However, if the discounts are higher they are tied to other conditions such as payment by direct debit.<sup>22</sup>

**Table 4** Published electricity market offers as of September 2016: Key additional features and contract conditions

Retailer	Name	Effective from	Guaranteed discount	Pay on time discount	Late payment fee	Contract term/benefit period	Early termination fee
<b>1st Energy</b>	Market offer	25/07/16	no	20% off usage	no	24 months	\$30
<b>AGL</b>	Savers	1/09/16	no	17% off usage	\$12.73	12 months	no
<b>Alinta Energy</b>	Fair Deal	1/08/16	no	20% off usage	no	24 months	no
<b>Click Energy</b>	Superior	1/07/16	no	15% off bill	\$12	no	no
<b>Commander</b>	Market offer	1/09/16	no	20% off usage	no	no	no
<b>CovaU</b>	Rate Saver	1/07/16	no	18% off bill	\$15	no	no
<b>Diamond Energy</b>	Pay on time discount	1/08/16	no	7% off bill	\$15	24 months	\$22
<b>Dodo Power &amp; Gas</b>	Market offer	1/09/16	no	20% off usage	no	no	no
<b>EnergyAustralia</b>	Flexi Saver	28/07/16	no	16% off usage	\$12	12 months	no
<b>Mojo Power</b>	Standard Energy Pass	1/09/16	no	no	no	no	no
<b>Momentum Energy</b>	SmilePower	1/08/16	no	no	no	12 months	\$99
<b>Origin Energy</b>	Saver	1/09/16	no	13% off usage	\$12	12 months	no
<b>Powerdirect</b>	20 percent Standard	1/09/16	no	20% off usage	\$12.73	24 months	no
<b>Powershop</b>	Saver	1/07/16	4% off bill	14% off bill	no	no	no
<b>Red Energy</b>	Easy Saver	24/08/16	no	10% off bill	no	no	no
<b>Simply Energy</b>	Simply Plus	14/09/16	no	15% off usage	no	24 months	\$143.50
<b>Urth Energy</b>	Market offer	1/07/16	no	10% off usage	\$12	36 months	no

<sup>22</sup> Momentum, for example, has a direct debit discount where customers receive a 2% discount off the market offer electricity rates (their Smile Power Plus product). This discount is not included in the bill calculations presented in this report.

### 2.1.1 Potential savings - Differences between electricity offers

Typical consumption households (7,200kWh per annum) on the incumbent retailer's standing offer can save \$400 - \$430 per annum if switching to the best published market offer.<sup>23</sup> Importantly, it is the difference between individual retailers' offers that can produce significant savings if switching from a standing offer to a market offer. Customers who choose to stay with the same retailer, but change to a market offer, are unlikely to experience annual savings as large as these. Furthermore, we stress that the majority of these discounts are conditional on bills being paid on time and households with cash-flow issues thus may find themselves unable to achieve the annual bills estimated for some of the best offers included in the charts below.

Charts 8-10 below show annual retail bills for typical consumption (7,200kWh per annum, single rate) for each of the three network areas. The red columns to the left represent the market offer bills including guaranteed discounts (but not pay on time discounts) while the green columns are market offer bills including pay on time discounts.<sup>24</sup> The dotted lines show the average market offer (including pay on time discounts) in each network area and the short black lines show the incumbent retailers' standing offer bill.

#### **Ausgrid**

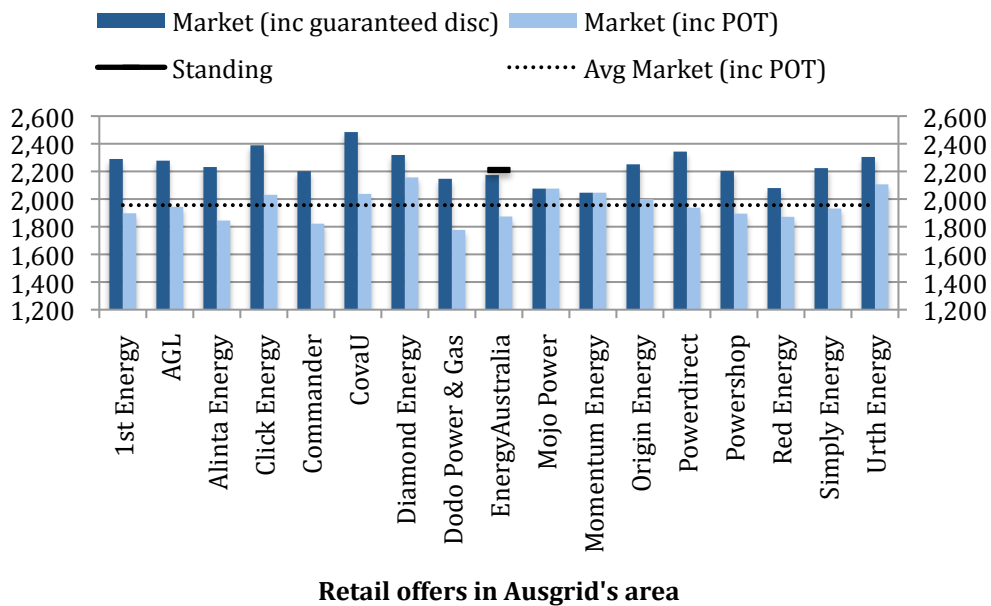
In Ausgrid's area, average consumption households on Energy Australia's standing offer can save \$430 per annum if switching to the best published market offer. Dodo is the retailer that currently offers the best market offer rates in this area.

---

<sup>23</sup> Based on market offer bills that include discounts and pay on time discounts.


















<sup>24</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in table 4.

**Chart 8** Ausgrid’s network area: Estimated annual bills (incl GST) for electricity standing and market offers September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)



The difference between the best and the worst market offer is also significant. Dodo’s offer is approximately \$380 less than Diamond’s market offer post discounts (and pay on time discounts) for households with this consumption level. Figure 1 below shows estimated annual bills for market offers post discounts in Ausgrid’s network area as well their current ranking compared to their offers one year ago (in brackets).

**Figure 1** Ausgrid’s network area: Lowest to highest annual bills (incl GST) for market offers September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate) <sup>25</sup>

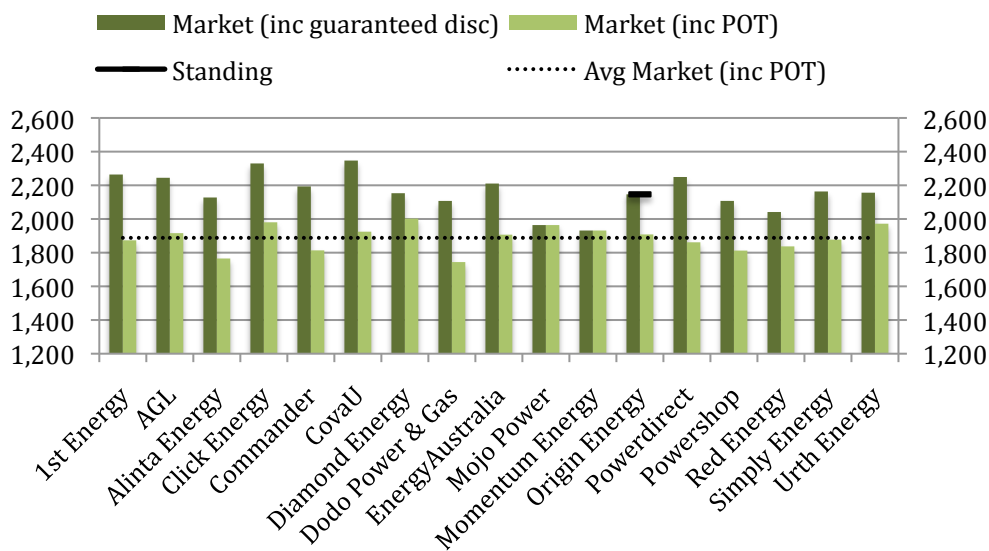
	1. Dodo	\$1,777 (7)
	2. Commander	\$1,822 (11)
	3. Alinta	\$1,844 (-)
	4. Red Energy	\$1,872 (8)
	5. Energy Australia	\$1,874 (4)
	6. Powershop	\$1,894 (3)
	7. 1st Energy	\$1,897 (-)
	8. Simply Energy	\$1,931 (5)
	9. Powerdirect	\$1,938 (10)
	10. AGL	\$1,944 (6)
	11. Origin Energy	\$2,001 (2)
	12. Click Energy	\$2,031 (14)
	13. Covau	\$2,037 (1)
	14. Momentum	\$2,046 (12)
	15. Mojo	\$2,076 (-)
	16. Urth Energy	\$2,106 (-)
	17. Diamond	\$2,156 (13)

<sup>25</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

**Endeavour**

In Endeavour’s network area, average consumption households on Origin’s standing offer can save approximately \$400 per annum if switching to the best published market offer. Again, Dodo is the retailer with the best market offer rates.














**Chart 9** Endeavour’s network area: Estimated annual bills (incl GST) for electricity standing and market offers September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)



**Retail offers in Endeavour's area**

The difference between the best and the worst market offer is less than in Ausgrid’s network area. Dodo’s offer is approximately \$260 less than Diamond’s market offer post discounts (and pay on time discounts) for households with this consumption level. Figure 2 below shows estimated annual bills for market offers post discounts in Endeavour’s network area as well their current ranking compared to their offers one year ago (in brackets).

**Figure 2** Endeavour’s network area: Lowest to highest annual bills (incl GST) for market offers September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate) <sup>26</sup>

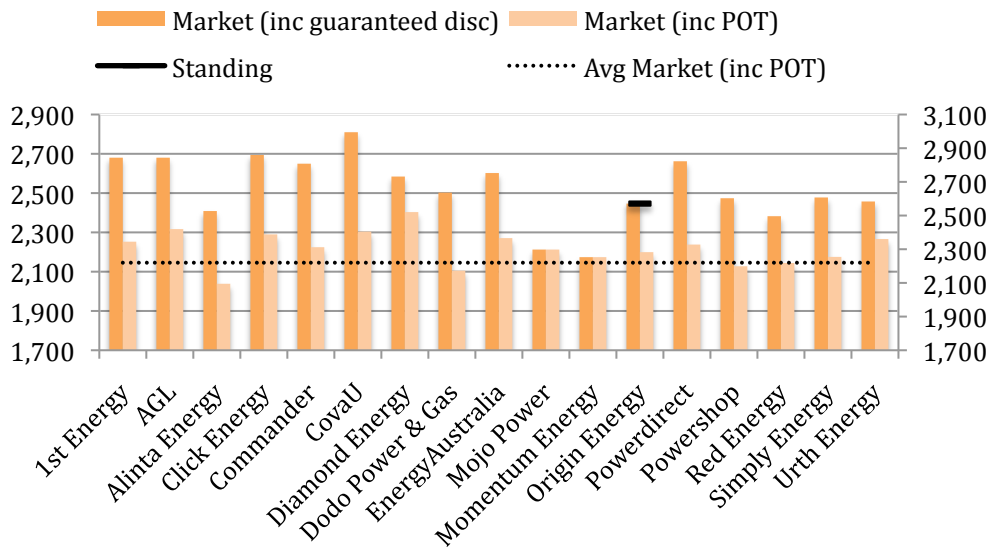
	1. Dodo	\$1,744 (5)
	2. Alinta	\$1,765 (-)
	3. Powershop	\$1,812 (1)
	4. Commander	\$1,814 (11)
	5. Red Energy	\$1,837 (6)
	6. Powerdirect	\$1,862 (9)
	7. 1st Energy	\$1,873 (-)
	8. Simply Energy	\$1,878 (-)
	9. Energy Australia	\$1,907 (2)
	10. Origin Energy	\$1,908 (3)
	11. AGL	\$1,916 (8)
	12. Covau	\$1,925 (4)
	13. Momentum	\$1,932 (10)
	14. Mojo	\$1,964 (-)
	15. Urth Energy	\$1,972 (-)
	16. Click Energy	\$1,980 (13)
	17. Diamond	\$2,002 (12)

<sup>26</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

**Essential**

In Essential’s network area, average consumption households on Origin’s standing offer can save approximately \$410 per annum if switching to the best published market offer. Alinta is the retailer with the best market offer rates in this network area.

















**Chart 10** Essential’s network area: Estimated annual bills (incl GST) for electricity standing and market offers September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)



**Retail offers in Essential's area**

As in other network areas, the difference between the best and the worst market offer is significant. Alinta’s offer is approximately \$365 less per annum than Diamond’s market offer post discounts (and pay on time discounts) for households with this consumption level. Figure 3 below shows estimated annual bills for market offers post discounts in Essential’s network area as well their current ranking compared to their offers one year ago (in brackets).

**Figure 3** Essential's network area: Lowest to highest annual bills (incl GST) for market offers September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)<sup>27</sup>

	1. Alinta	\$2,038 (-)
	2. Dodo	\$2,105 (9)
	3. Powershop	\$2,127 (1)
	4. Red Energy	\$2,144 (7)
	5. Momentum	\$2,174 (2)
	6. Simply Energy	\$2,175 (-)
	7. Origin Energy	\$2,199 (4)
	8. Mojo	\$2,213 (-)
	9. Commander	\$2,225 (11)
	10. Powerdirect	\$2,238 (10)
	11. 1st Energy	\$2,253 (-)
	12. Urth Energy	\$2,266 (-)
	13. Energy Australia	\$2,271 (5)
	14. Click Energy	\$2,290 (13)
	15. Covau	\$2,304 (3)
	16. AGL	\$2,317 (6)
	17. Diamond	\$2,403 (12)

<sup>27</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.



### 2.1.2 Bills paid on time vs. bills paid late

We have previously raised our concerns regarding the use of late payment fees as well as the significant impact they can have on late paying households' bills when applied in conjunction with a pay on time discount.<sup>28</sup>

Discounting is clearly an effective marketing tool and we note that only one retailer currently offers additional discounts that are not conditional upon bills being paid on time. Mojo and Momentum are the only retailers that do not differentiate between bills being paid on time or paid late.

Covau offers the highest pay on time discount (18% on the entire bill) of all the retailers and the difference to the annual bill gets as high as \$566 in Essential's network. Table 5 shows how much more a late paying customer on each of the retail offers would pay per annum.<sup>29</sup>

**Table 5** The difference (\$) to annual bill when customers pay late

	Essential	Ausgrid	Endeavour
<b>CovaU</b>	566	507	482
<b>Powerdirect</b>	475	457	439
<b>Click Energy</b>	452	406	397
<b>1st Energy</b>	428	393	391
<b>Commander</b>	425	380	380
<b>AGL</b>	414	385	380
<b>Dodo Power &amp; Gas</b>	397	370	363
<b>EnergyAustralia</b>	379	348	352
<b>Alinta Energy</b>	370	387	362
<b>Powershop</b>	346	308	295
<b>Simply Energy</b>	302	292	286
<b>Origin Energy</b>	295	299	286
<b>Diamond Energy</b>	241	222	211
<b>Urth Energy</b>	239	246	232
<b>Red Energy</b>	238	208	204
<b>Mojo Power</b>	0	0	0
<b>Momentum Energy</b>	0	0	0

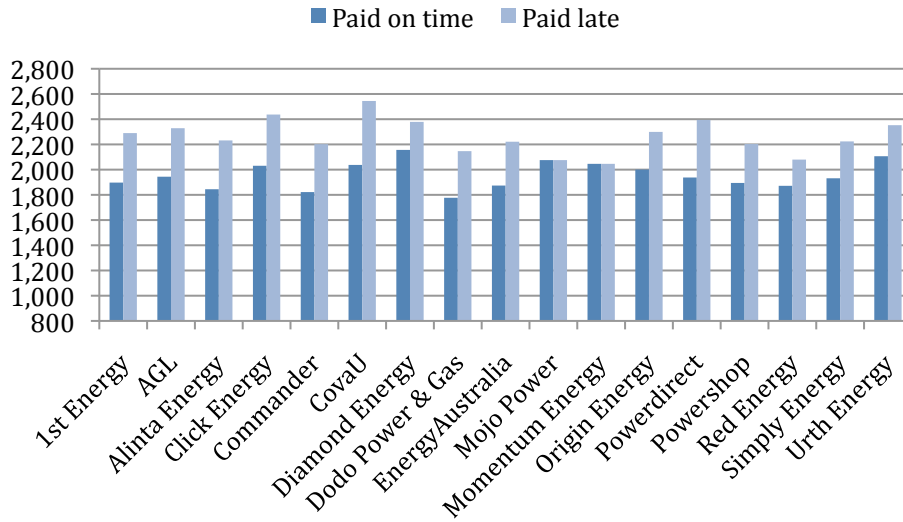
Charts 11 – 13 below show annual bills for customers that pay bills on time and customers that pay late in each of the three network areas.<sup>30</sup>

<sup>28</sup> See St Vincent de Paul Society, *NSW Energy Prices July 2012 – July 2013, An update report on the NSW Tariff-Tracking project* by May Mauseth Johnston (August 2013) and St Vincent de Paul Society, *NSW Energy Prices July 2014 – July 2015, An update report on the NSW Tariff-Tracking project* by May Mauseth Johnston (July 2015)

<sup>29</sup> If the retailer charges a late payment fee, four late payment fees have been included in the annual 'late bill' calculation.

<sup>30</sup> If the retailer charges a late payment fee, four late payment fees have been included in the annual 'late bill' calculation.

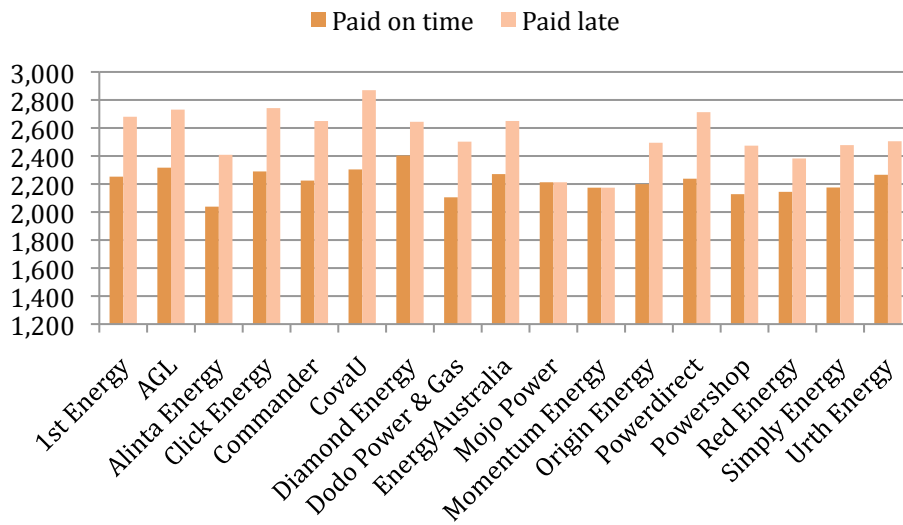
**Chart 11** Ausgrid’s network area: Estimated annual bills (incl GST) for electricity market offers (as of September 2016) paid late vs. paid on time - Households consuming 7,200kWh per annum (single rate)



**Chart 12** Endeavour’s network area: Estimated annual bills (incl GST) for electricity market offers (as of September 2016) paid late vs. paid on time - Households consuming 7,200kWh per annum (single rate)



**Chart 13** Essential's network area: Estimated annual bills (incl GST) for electricity market offers (as of September 2016) paid late vs. paid on time - Households consuming 7,200kWh per annum (single rate)



## 2.2 Gas market offers September 2016

There are relatively few gas market offers available in NSW and the Sydney area (Jemena/AGL gas zone) is the only area that has more than two offers (most non-metropolitan areas only have the regulated offer). As such, this analysis only comprises regulated vs. market offers in the greater Sydney area.

- The difference between the best and the worst gas market offer is \$85 per annum. The difference between *stand-alone* gas market offers, however, is only \$60. See chart 14 below.
- Typical consumption households (24,000 Mj) can save \$100 per annum if switching from the regulated offer to the best market offer.<sup>31</sup> See chart 15 below.

**Chart 14** Price-spread for seven gas market offers in the Jemena pricing zone in September 2016 (incl GST), including discounts and pay on time discounts - Households consuming 24,000Mj per annum. The triangular markers are stand-alone gas offers and the squares are dual fuel offers.

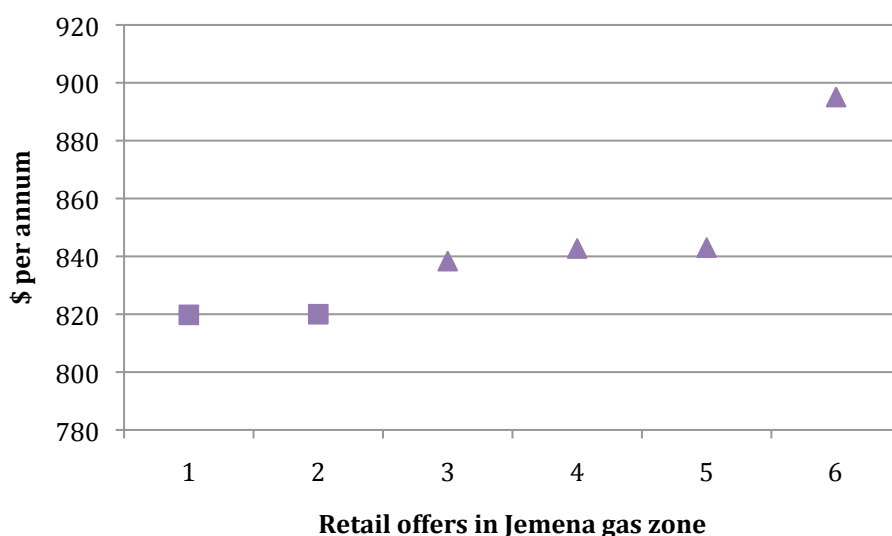
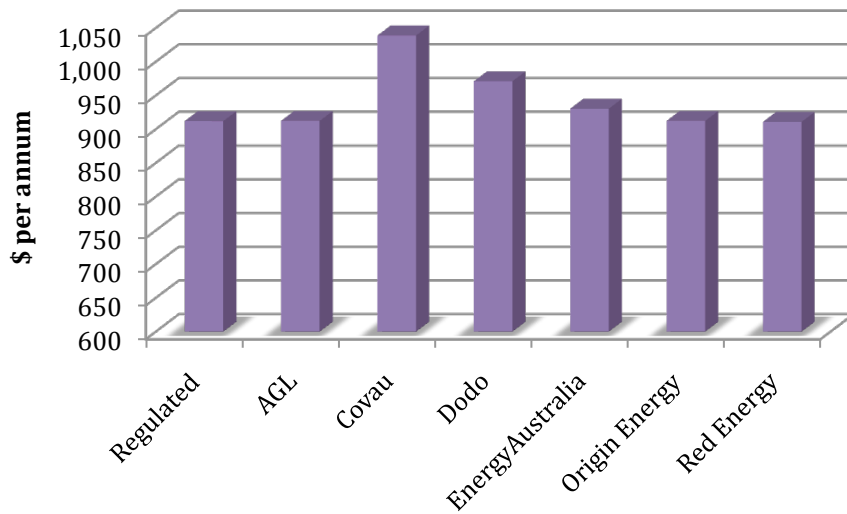


Chart 15 below shows that three retailers have rates that are the same as the regulated rates (prior to additional discounts). The three remaining retailers, Covau, Dodo and Energy Australia, have market offer rates that are higher than the regulated rates.<sup>32</sup> Red and Dodo's market offers are only available to dual fuel customers (customers that sign up for both electricity and gas).

<sup>31</sup> Based on the regulated offer and the best of the published market offers (*including* pay on time discounts).

<sup>32</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time.

**Chart 15** Gas offers in Jemena/AGL zone as annual bills (excluding discounts), September 2016 (24,000Mj per annum, inc GST)



The calculations for the market offers in chart 12 include rates only (cost per MJ and fixed charges) and do not include other market offer features such as discounts on consumption rates, vouchers, sign-up credits, loyalty bonuses and discounts if bills are paid on time. As such, consumers assessing market offers should take these additional features into account as well as being aware of contract conditions such as late payment fees, the length of the contract and fees for exiting the contract early.

Table 6 below shows additional discounts applicable to the gas retailers' published market offer rates. It also shows other contract terms and features, such as early termination fees, associated with these market offers.

**Table 6** Published gas market offers in Jemena/AGL gas zone as of September 2016: Key additional features and contract conditions

Retailer	Name	Effective from	Guaranteed discount	Pay on time discount	Late payment fee	Contract term/benefit period	Early termination fee
AGL	Savers	1/09/16	no	10% off usage	\$12.73	12 months	no
CovaU	Rate Saver	1/07/16	no	18% off bill	\$15	no	no
Dodo Power & Gas	20 Percent	1/09/16	no	20% off usage	no	no	no
EnergyAustralia	Flexi Saver	28/07/16	no	13% off usage	\$12	12 months	no
Origin Energy	Saver	1/09/16	no	10% off usage	\$12	12 months	no
Red Energy	Easy Saver	24/08/16	no	10% off bill	no	no	no

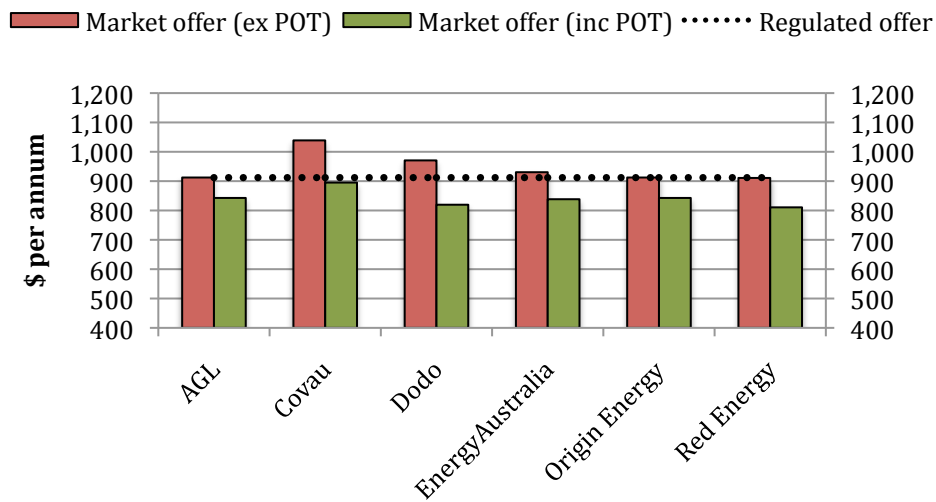
### 2.2.1 Potential savings - Differences between gas offers

Chart 16 below shows annual retail bills for market offers compared to the regulated offer for typical consumption households (24,000kJ per annum) in the Jemena/AGL gas zone. The red columns are the market offers including guaranteed discounts (but not pay on time discounts) while the green columns are market offer bills including pay on time discounts.<sup>33</sup> The dotted line represents the regulated rates that took effect in July 2016.

Customers switching from the regulated offer to Red Energy’s market offer can potentially save \$100 on their annual gas bill (including pay on time discounts). However, as Red’s offers is only available in conjunction with electricity, potential customers should carefully examine their electricity offers. If customers on the regulated offer switch to Covau, they will pay almost the same as they do on the regulated offer, even after the pay on time discounts have been applied.




<sup>33</sup> These market offers were collected from the retailers’ websites on the 15<sup>th</sup> of September 2016. Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in table 6.

**Chart 16** Gas offers in Jemena/AGL area: Estimated annual bill for market offers as of September 2016 (guaranteed discount only and all discounts) compared to the regulated rates (based on 24,000Mj, inc GST)



Compared to electricity offers, the difference between the best and the worst stand-alone gas market offers is very small. Figure 4 below shows estimated annual bills for stand-alone gas market offers post discounts in the Jemena/AGL gas zone as well as how they ranked compared to other retailers one year ago (in brackets). The difference between the best (Energy Australia) and the worst (Covau) market offers is just under \$60 per annum. Furthermore, the difference between the three big retailers (AGL, Origin and Energy Australia) is minuscule.

**Figure 4** Jemena/AGL gas zone: Lowest to highest annual bills (incl GST) for stand-alone gas market offers in September 2016, including discounts and pay on time discounts - Households consuming 24,000Mj per annum<sup>34</sup>

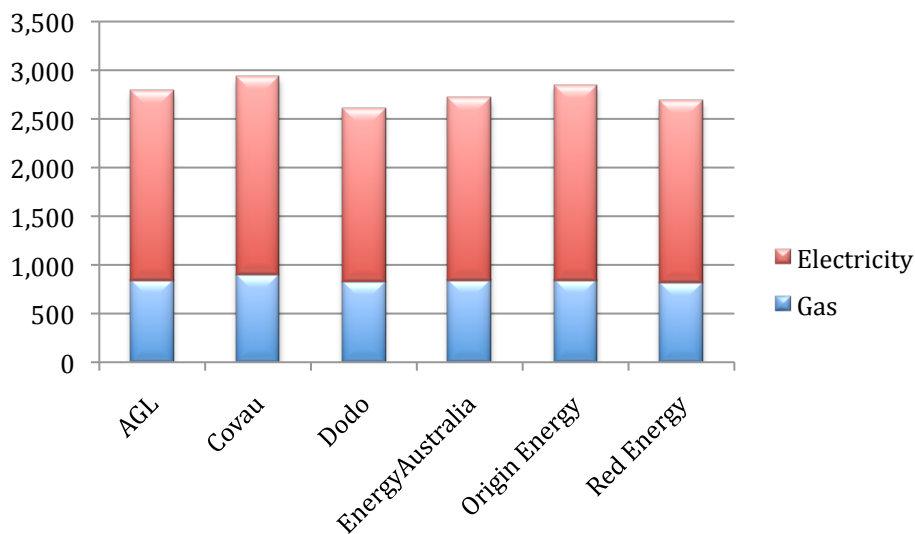
	Energy Australia	\$838 (3)
	Origin Energy	\$843 (1)
	AGL	\$843 (2)
	Covau	\$895 (-)

<sup>34</sup> These bill estimates are based on rates published on the retailers' websites on the 15<sup>th</sup> of September 2016 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

### 2.3 Dual fuel offers September 2016<sup>35</sup>

As only four gas retailers offer gas as a single fuel product we have compared dual fuel offers for households in Ausgrid's electricity network and the Jemena/AGL gas zone. Chart 17 below shows that Dodo currently offers the best value dual fuel product for typical consumption households in this area. Covau's offer is the most expensive (\$335 more than Dodo's).

**Chart 17** Ausgrid network and Jemena/AGL gas zone: Estimated annual bills (incl GST) for dual fuel offers in September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh and 24,000Mj per annum<sup>36</sup>



<sup>35</sup> The annual bills for dual fuel offers are based on a single retailer supplying a household with both fuel sources and an annual consumption of 7,200 kWh (single rate) and 24,000 Mj. The market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time.

<sup>36</sup> Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in the table 4 and 6 with the exception of AGL which offers an additional 2% off consumption (electricity and gas) for dual fuel customers.



**Figure 5** Ausgrid network and Jemena/AGL gas zone: Lowest to highest annual bills (incl GST) for dual fuel market offers in September 2016, including discounts and pay on time discounts - Households consuming 7,200kWh and 24,000Mj per annum<sup>37</sup>

	1. Dodo	\$2,597 (6)
	2. Red Energy	\$2,682 (5)
	3. Energy Australia	\$2,712 (3)
	4. AGL	\$2,787 (4)
	5. Origin Energy	\$2,844 (2)
	6. Covau	\$2,932 (1)

<sup>37</sup> These bill estimates are based on rates published on the retailers' websites on the 15<sup>th</sup> 2016 and it must be noted that retailers may change their rates at any time.

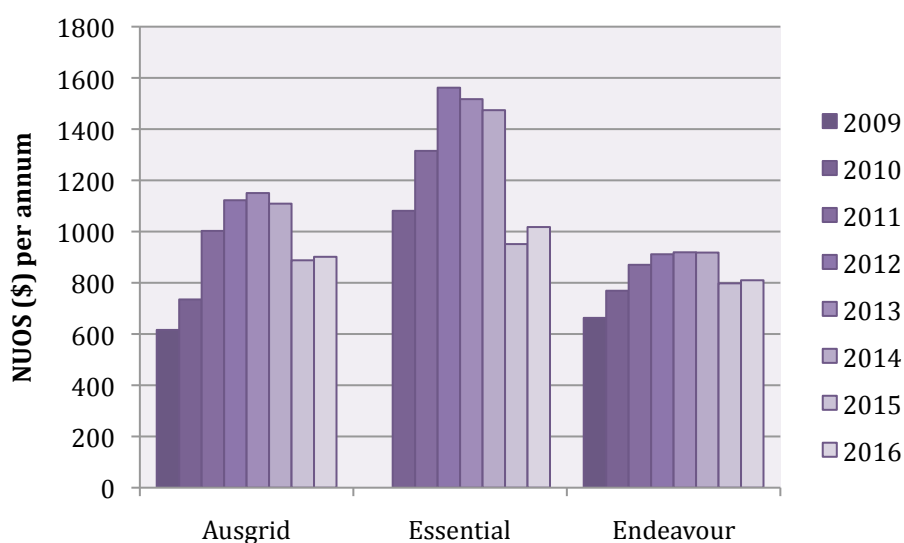
### 3. Network charges

The NSW electricity networks (Ausgrid, Essential and Endeavour) introduce new Network Use of System (NUOS) charges in July every year. These NUOS charges are approved by the Australian Energy Regulator (AER) and comprise Transmission Use of System (TUOS) and Distribution Use of System (DUOS) as well as other costs such as jurisdictional charges and metering charges. The retailers can, and generally will, build changes to the NUOS (in relation to both shape and price) into their retail tariffs.

The charts presented in this section show that while the NUOS charges for average consumption households increased significantly from 2009 to 2012, they then flattened out before substantially decreasing in 2015. In July 2016, the NUOS increased somewhat in all network areas but the annual “NUOS bill” for average consumption households in Essential’s network is still less than it was in 2010. See chart 18 below.

Network charges as proportion of total bill have thus also flattened out or decreased in recent years. The NUOS proportion is currently 41% in Ausgrid, 42% in Essential and 38% in Endeavour. See chart 19 below.

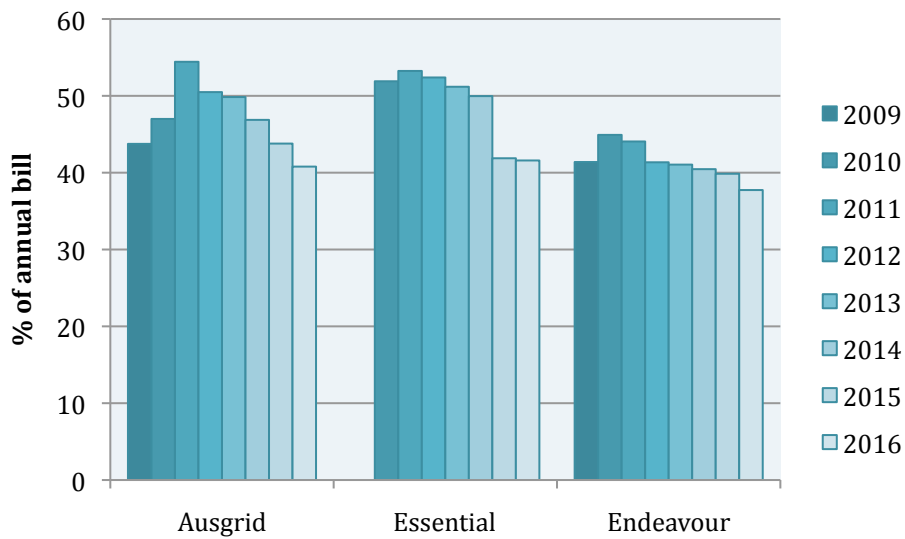
**Chart 18** NUOS charges as annual cost to residential consumers from 2009\* to 2016, all networks (based on single rate, 7,200kWh per annum, GST exclusive)<sup>38</sup>



\*Essential’s area includes NUOS charges from 2010 to 2016 only.

<sup>38</sup> The annual NUOS charges have been calculated by allocating 1,800kWh per quarter (again based on annual consumption of 7,200kWh) to the step charges stipulated in the NUOS (excluding GST). The annual NUOS cost also includes fixed charges.

**Chart 19** NUOS charges as proportion of annual bill from 2009\* to 2016, all networks. Based on regulated offer (2009-2013) and the incumbent retailers' single rate standing offer (2014-2016), 7,200kWh per annum, incl. GST<sup>39</sup>

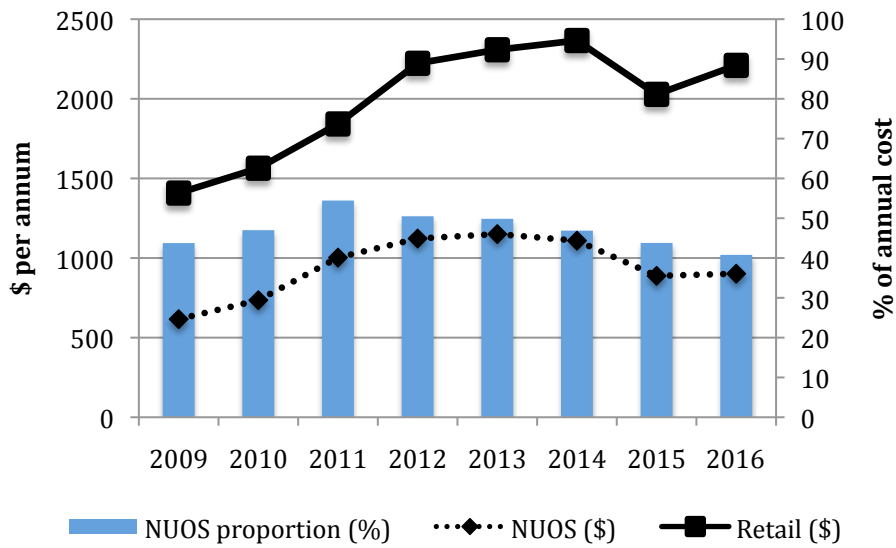


\*Essential's area includes NUOS charges from 2010 to 2016 only.

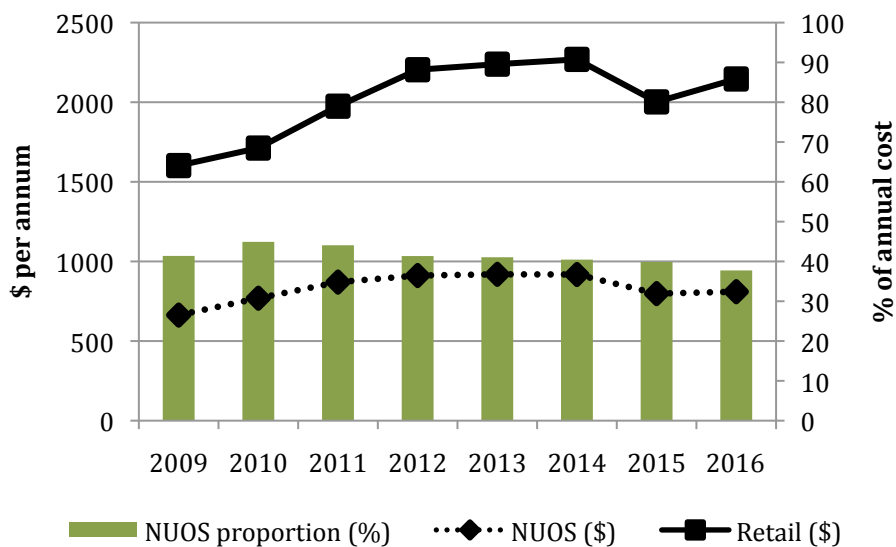
Charts 20-22 below show annual retail bills (solid line), NUOS charges as annual cost (dotted line) and as proportion of annual bill (columns) for each of the network areas. The methodology used for these calculations is the same as for charts 18-19 above.

<sup>39</sup> The NUOS proportion of total bill has been calculated using annual NUOS cost calculations (see footnote above) and the retailers' regulated/standing offers as of July every year (from 2009 to 2016), presented as annual bills for households using 7,200kWh per annum (single rate, incl. GST) across the three distribution areas. Post 2013 the retail bills are based on the incumbent retailers' (Origin and Energy Australia) standing offers.

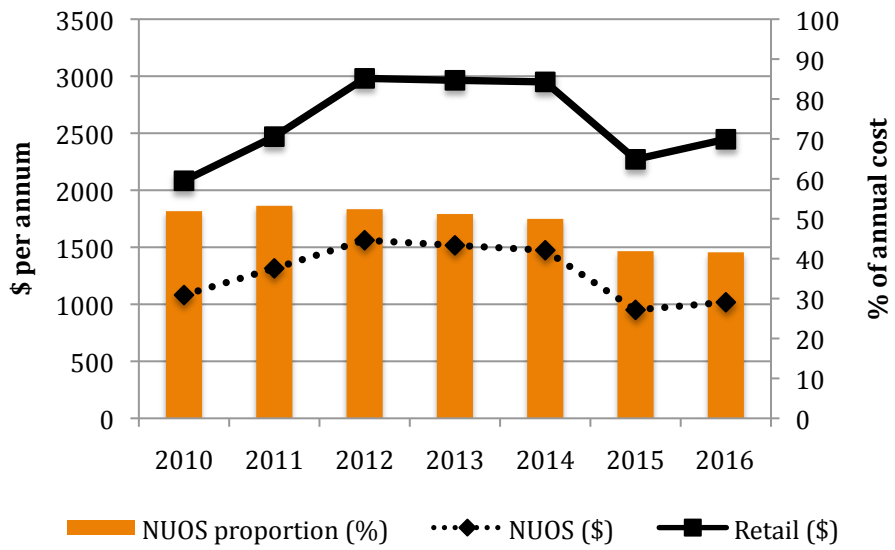
**Chart 20** Ausgrid: Retail bill per annum, NUOS charges and NUOS as proportion of total bill Based on regulated offer (2009-2013) and Energy Australia’s single rate standing offer (2014 and 2016), 7,200kWh per annum, incl GST.



**Chart 21** Endeavour Energy: Retail bill per annum, NUOS charges and NUOS as proportion of total bill Based on regulated offer (2009-2013) and Origin’s single rate standing offer (2014 and 2016), 7,200kWh per annum, incl. GST



**Chart 22** Essential Energy: Retail bill per annum, NUOS charges and NUOS as proportion of total bill Based on regulated offer (2010-2013) and Origin's single rate standing offer (2014 and 2016), 7,200kWh per annum, incl. GST



## 4. Solar offers

There are approximately 328,500 domestic solar systems in NSW.<sup>40</sup> Many of these households are currently receiving a solar feed in rate (FIT) of 60 cents per exported kWh but as the scheme is closed to new entrants, and will close altogether in December 2016, customers looking for solar offers need to assess both the retailers' FIT rates as well as the cost of electricity imported.

This section analyses and compares market offer bills for NSW customers with 1.5 kW and 3 kW systems installed. As retailers are not required to publish rates for solar products purchased and installed through them, this analysis only examines electricity offers available to customers independently of solar panels and installation.

### Methodology and assumptions

To calculate the annual bills for the various solar market offers the following assumptions and methodology have been applied:

- An annual household consumption of 7,200kWh (including both produced and imported).
- Calculations have been produced for households with 1.5 kW and 3 kW systems only.
- For Sydney households, an annual generation capacity per kW installed of 1.614 MWh and an export rate of 49.9% for 3 kW systems and 18.9% for 1.5 kW systems.<sup>41</sup>
- For non-metropolitan households, an annual generation capacity per kW installed of 1.801 MWh and an export rate of 55.1% for 3 kW systems and 27.3% for 1.5 kW systems.<sup>42</sup>
- Only FIT rates available to new customers have been included. Retailer funded FIT rates have been applied as per offer (see table 7 below).
- A flat annual consumption has been assumed.
- The annual bills have been based on quarterly bill calculations and all step increases have been applied as quarterly thresholds (including when the retail offer refers to daily or monthly thresholds). Daily fixed charges have been multiplied by 91 to calculate the quarterly amount.

---

<sup>40</sup> Clean Energy Council, Clean Energy Australia Report 2015, 26

<sup>41</sup> These figures are based analysis presented in a report for the Alternative Technology Association (ATA) by Alviss Consulting (Alviss Consulting, Retail Offers and Market Transparency for New Solar Customers, June 2013).

20Forecast%20PV%20Capacity%20&%20Tariff%20Payments.pdf

<sup>42</sup> Ibid

**Table 7:** Retailers' FIT rates

<b>Retailer*</b>	<b>Offer</b>	<b>FIT rate (c/kWh)</b>
<b>AGL</b>	Savers	6.1
<b>Click Energy</b>	Shine	10
<b>Commander</b>	Market offer	6.5
<b>CovaU</b>	Rate Saver	0
<b>Diamond Energy</b>	Pay on time discount	8
<b>Dodo Power &amp; Gas</b>	Market offer	6.5
<b>EnergyAustralia</b>	Flexi Saver	5.1
<b>Mojo Power</b>	Standard Energy Pass	7.3
<b>Momentum Energy</b>	SmilePower	0
<b>Origin Energy</b>	Saver	6
<b>Powerdirect</b>	20 percent	6.1
<b>Powershop</b>	Standard Saver	7.2
<b>Red Energy</b>	Easy Saver	6
<b>Simply Energy</b>	Simply Plus	6.5
<b>Urth Energy</b>	Market offer	10

\* 1<sup>st</sup> Energy and Alinta do not offer market offer contracts to solar customers in NSW

Chart 23 below compares annual retail bills for solar customers in Sydney (Ausgrid) with 3 kW and 1.5 kW installed. It shows that for this consumption level, the average market offer bill for households in this area with a 3 kW system installed is \$1,280 and that is \$670 less than the average market offer bill for non-solar customers (see chart 8 in section 2.1.1 above). Households with a 1.5 kW system installed will have an annual bill of \$1,520.

Chart 23 also shows that Click, Diamond, Momentum, Mojo and Covau's offers produce annual bills above the average for both 3 kW and 1.5 kW systems. Urth Energy's offer, which together with Click, offers the highest FIT rate, also produces bills that are higher than average for households with 1.5 kW. Sydney (Ausgrid) solar customers with 3 kW systems (and this consumption level) would be approximately \$390 per annum better off on Dodo's offer compared to Momentum's offer. Customers with a 1.5 kW system installed may save almost \$520 per annum if they switched from Diamond to Dodo's offer. As Click, Urth and Diamond Energy all offer relatively high FIT rates (Diamond's is 8 cents, Urth and Click offer 10 cents) while Dodo's FIT rate is only 6.5 cents, this highlights the importance of solar customers not choosing retail offers based on FIT rates alone.

Solar customers looking for new contracts should also be aware of higher FIT rates being offered for a limited time only. Origin Energy, for example, introduced a new solar offer called 'Solar Boost' on 17 October 2016 that contains a 10 cents FIT rate instead of their standard rate of 6 cents. The 'benefit period' for this offer, however, is only 12 months and Origin states:

“When the benefit period ends we’ll still supply you with energy under our contract but you’ll no longer receive the benefit. You’ll receive our standard retailer feed-in tariff available at the time your benefit period ends as published on our website.”<sup>43</sup>

**Chart 23** Annual bills including discounts and FIT credits for Sydney/Ausgrid customers with 3 kW and 1.5 kW solar systems. Electricity offers in September 2016 as annual bills, Single rate, 7,200kWh (GST inc).<sup>44</sup>

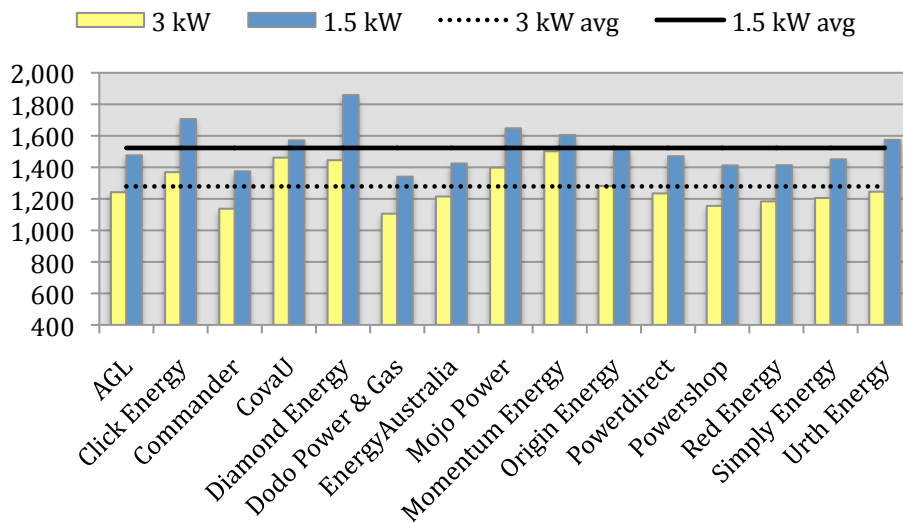


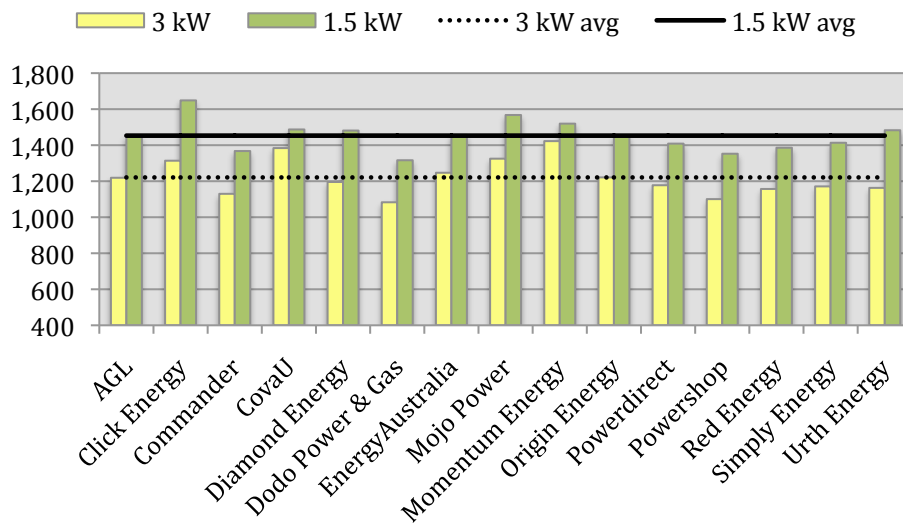
Chart 24 below shows annual bills for Sydney solar customers in the Endeavour network. It shows that for this consumption level, the average market offer bill for households in this area with a 3 kW system installed is \$1,220 and that is \$670 less than the average market offer bill for non-solar customers (see chart 8 in section 2.1.1 above). Households with a 1.5 kW system installed will have an annual bill of \$1,450.

<sup>43</sup> Origin Energy, NSW Residential Energy Price Fact Sheet (Effective 17 October 2016), Solar Boost available at [https://www.originenergy.com.au/content/dam/origin/residential/docs/energy-price-fact-sheets/nsw/20160616/NSW\\_Electricity\\_Residential\\_AusGrid\\_SolarBoost10.PDF](https://www.originenergy.com.au/content/dam/origin/residential/docs/energy-price-fact-sheets/nsw/20160616/NSW_Electricity_Residential_AusGrid_SolarBoost10.PDF). Note that as the Solar Boost product was published after the offers for this analysis were collected, Origin’s Solar Boost offer is not included on this analysis.

<sup>44</sup> Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.



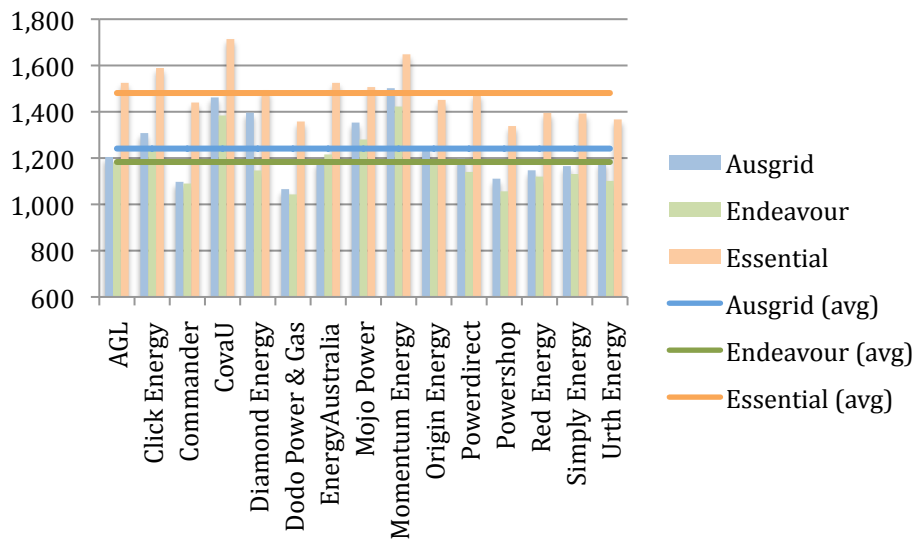
**Chart 24** Annual bills including discounts and FIT credits for *Sydney/Endeavour* customers with 3 kW and 1.5 kW solar systems. Electricity offers in September 2016 as annual bills, Single rate, 7,200kWh (GST inc).<sup>45</sup>



Homes outside Sydney’s metropolitan area will typically have less overshadowing and therefore a higher generation capacity and export rate. Chart 25 compares annual retail bills for non-metropolitan solar customers with 3 kW systems in the three network areas. It shows that the average annual bill for non-metropolitan solar customers with this consumption level is \$1,240 in Ausgrid, \$1,180 in Endeavour and \$1,480 in Essential. Compared to non-solar households, the average bill is \$710 less in Ausgrid and Endeavour, and \$740 less in Essential (see section 2.1.1 above for non-solar customers).

<sup>45</sup> Ibid.

**Chart 25** Annual bills including discounts and FIT credits for *non-metropolitan customers in Ausgrid, Endeavour and Essential with 3 kW solar systems. Electricity offers in September 2016 as annual bills, Single rate, 7,200kWh (GST inc).*<sup>46</sup>



Figures 6 - 8 below show estimated annual bills for solar market offers including FIT and discounts for Sydney customers in Ausgrid and Endeavour’s networks and non-metropolitan customers in the Essential network (all based on 3 kW systems).

<sup>46</sup> Ibid.

**Figure 6** Lowest to highest annual bills (incl GST) for solar market offers in September 2016, including discounts and pay on time discounts – Sydney households in the *Ausgrid* network with 3kW systems installed and consuming 7,200kWh annum (including both produced and imported), single rate <sup>47</sup>

	1. Dodo	\$1,106
	2. Commander	\$1,137
	3. Powershop	\$1,155
	4. Red Energy	\$1,184
	5. Simply Energy	\$1,205
	6. Energy Australia	\$1,215
	7. Powerdirect	\$1,235
	8. AGL	\$1,242
	9. Urth Energy	\$1,245
	10. Origin Energy	\$1,282
	11. Click Energy	\$1,369
	12. Mojo	\$1,398
	13. Diamond	\$1,445
	14. Covau	\$1,462
	15. Momentum	\$1,502

<sup>47</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

**Figure 7** Lowest to highest annual bills (incl GST) for solar market offers in September 2016, including discounts and pay on time discounts – Sydney households in the *Endeavour* network with 3kW systems installed and consuming 7,200kWh annum (including both produced and imported), single rate<sup>48</sup>

	1. Dodo	\$1,083
	2. Powershop	\$1,101
	3. Commander	\$1,130
	4. Red Energy	\$1,157
	5. Urth Energy	\$1,163
	6. Simply Energy	\$1,171
	7. Powerdirect	\$1,178
	8. Diamond	\$1,196
	9. AGL	\$1,219
	10. Origin Energy	\$1,221
	11. Energy Australia	\$1,247
	12. Click Energy	\$1,314
	13. Mojo	\$1,325
	14. Covau	\$1,384
	15. Momentum	\$1,423

<sup>48</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

**Figure 8** Lowest to highest annual bills (incl GST) for solar market offers in September 2016, including discounts and pay on time discounts – households in the *Essential* network with 3kW systems installed and consuming 7,200kWh annum (including both produced and imported), single rate <sup>49</sup>

	1. Powershop	\$1,338
	2. Dodo	\$1,358
	3. Urth Energy	\$1,367
	4. Simply Energy	\$1,393
	5. Red Energy	\$1,395
	6. Commander	\$1,440
	7. Origin Energy	\$1,451
	8. Powerdirect	\$1,475
	9. Diamond	\$1,490
	10. Mojo	\$1,507
	11. Energy Australia	\$1,525
	12. AGL	\$1,525
	13. Click Energy	\$1,589
	14. Momentum	\$1,648
	15. Covau	\$1,714

<sup>49</sup> These market offers were collected on the 15<sup>th</sup> of September 2016 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

## 5. Total cost of energy by area

As approximately 40% of NSW households are connected to both electricity and gas, it is important to analyse whether there are areas that have experienced high increases/decreases in both electricity and gas prices, and conversely, whether there are areas where the increases/decreases in electricity and gas prices are at the lower end.<sup>50</sup> Such analysis allows for a more detailed understanding of the total energy costs faced by households across NSW.

### 5.1 Inner Sydney, Northern Sydney, Swansea, Newcastle, Maitland, Cessnock Singleton and Upper Hunter



Source: [www.ausgrid.com.au](http://www.ausgrid.com.au)

In this area, Energy Australia's annual electricity standing offer bill is \$180 more in July 2016 compared to July 2015 (based on households consuming 7,200kWh/annum). Households in the Jemena/AGL gas zone have received a small increase in gas prices of approximately \$5 over the same period.

- Dual fuel households with an average consumption of electricity and gas in inner and Eastern Sydney, Sydney's North, Swansea and Newcastle will

<sup>50</sup> According to IPART, approximately 40% of all NSW households use gas and in the Sydney metropolitan area approximately 50% of households use gas. IPART, *Review of regulated retail prices and charges for gas*, Final report, June 2014, p 52

typically experience an increase in annual *energy* costs of \$185 from July 2016.<sup>51</sup>

- All-electric households in Sydney, Newcastle, Maitland, Singleton, Muswellbrook and the Upper Hunter will typically experience a decrease in annual *electricity* costs of \$165 from July 2016.<sup>52</sup>

## 5.2 Western Sydney, Wollongong, Blue Mountains, Lithgow, Kandos, Moss Vale, Nowra, Ulladulla



Source: [www.endeavourenergy.com.au](http://www.endeavourenergy.com.au)

In this area, Origin's annual electricity standing offer bill is \$140 more in July 2016 compared to July 2015 (based on households consuming 7,200kWh/annum).

<sup>51</sup> These are households in Ausgrid's electricity distribution network and Jemena/AGL's gas zone.

<sup>52</sup> These are households on a two-rate (controlled load) tariff in Ausgrid's electricity distribution network.

Households in the Jemena/AGL gas zone have received a small increase in gas prices (\$5) over the same period.

- Dual fuel households with an average consumption of electricity and gas in Western Sydney, Wollongong, Blue Mountains and Lithgow will typically experience a decrease in annual *energy* costs of \$145 from July 2016.<sup>53</sup>
- As gas prices have remained stable in Nowra/Shoalhaven, dual fuel households in this area will typically experience an increase in annual *energy* costs of \$140 from July 2016.<sup>54</sup>
- All-electric households in Western Sydney, Wollongong, Blue Mountains, Lithgow, Kandos, Moss Vale, Nowra and Ulladulla will also typically experience an increase in annual *electricity* costs of \$140 from July 2016.<sup>55</sup>

### 5.3 Rural and Regional NSW



Source: Country Energy, Annual Report 2009-10

In rural and regional NSW, the average annual electricity standing offer bill is \$175 more in July 2016 compared to July 2015 (based on households consuming

<sup>53</sup> These are households in Endeavour Energy's electricity distribution network and Jemena/AGL's gas zone.

<sup>54</sup> These are households in Endeavour Energy's electricity distribution network and ActewAGL's Shoalhaven gas zone.

<sup>55</sup> These are households on a two-rate (controlled load) tariff in Endeavour Energy's electricity distribution network.



7,200kWh/annum). For all-electric households (8,000kWh, 30% controlled off peak) the average electricity standing offer has increased by \$180.

- Dual fuel households with an average consumption of electricity and gas in Bathurst, Orange, Dubbo and Parkes will typically experience an increase in annual *energy* costs of \$180 from July 2016.<sup>56</sup>
- Dual fuel households in Goulburn, Boorowa, Yass and will typically experience an increase in annual *energy* costs of \$175 from July 2016.<sup>57</sup>
- Dual fuel households in Queanbeyan and Bungendore will typically experience an increase in annual *energy* costs of \$125 from July 2016.<sup>58</sup>
- Dual fuel households in Temora, Tumut, Holbrook, Henty, Cualcain, Walla Walla, Cooma, Bombala, Wagga Wagga and Uranquity will typically experience an increase in annual *energy* costs of \$190 from July 2016.<sup>59</sup>
- As gas prices have remained stable in Tamworth, dual fuel households in this area will typically experience an increase in annual *energy* costs of \$180 from July 2016.<sup>60</sup>
- Dual fuel households in Albury, Jindera, Moama and the Murray Valley towns will also typically experience an increase in annual *energy* costs of \$180 from July 2016.<sup>61</sup>
- Similarly, all-electric households in Griffith, Bourke, Walgett, Narrabri, Moree, Glen Innes, Armidale, Taree, Coffs Harbour, Grafton and Lismore will typically experience an increase in annual *electricity* costs of \$180 from July 2016.<sup>62</sup>

---

<sup>56</sup> These are households in Essential Energy's electricity distribution network and Jemena/AGL's gas zone.

<sup>57</sup> These are households in Essential Energy's electricity distribution network and ActewAGL's Goulburn gas zone.

<sup>58</sup> These are households in Endeavour Energy's electricity distribution network and ActewAGL's Queanbeyan gas zone.

<sup>59</sup> These are households in Essential Energy's electricity distribution network and Origin Energy's Temora, Cooma and Wagga Wagga gas zones.

<sup>60</sup> These are households in Essential Energy's electricity distribution network and Origin's Tamworth gas zone.

<sup>61</sup> These are households in Essential Energy's electricity network and Origin's Albury and Murray Valley gas zones.

<sup>62</sup> These are households on a two-rate (controlled load) tariff in Essential Energy's electricity distribution network.