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NSW Energy Prices July 2015



**An Update Report on the
NSW Tariff-Tracking Project
July 2015**



New South Wales Energy Prices July 2015
An Update report on the NSW Tariff-Tracking Project

May Mauseth Johnston, July 2015



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Acknowledgements

This project was funded by Energy Consumers Australia (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.

Note regarding the Repeal of the carbon tax bill

On 23 June 2014 the Government reintroduced the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013 [No. 2] in the House of Representatives. The bill repealed the six Acts that established the carbon pricing mechanism. The Senate passed the bill on 17 July 2014 and retailers were required to publish new, carbon exclusive, prices and backdate these to 1 July.

As the methodology of the Vinnies' Tariff-Tracking project is based on providing annual price updates as of July every year, the July 2014 tariffs collected were carbon inclusive. As such, the main analysis presented in this report is based on July 2014 prices (carbon inclusive) and July 2015 prices (carbon exclusive). However, we have assessed the impact of the repeal of the carbon tax, compared to other factors, by using separate sources to estimate bills prior to the repeal, after the repeal and as of July 2015.¹

¹ Alviss Consulting collected and analysed carbon exclusive prices as of October 2014 for two separate projects: *Tax on, Tax off: Electricity prices before and after the repeal of the carbon tax*, November 2014 (electricity prices only) and *Residential electricity and gas prices from January 2012 to January 2015*, A report to the ACCC, March 2015.

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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 2015, and developed a spreadsheet-based tool that allows consumer advocates to build on the initial analysis and continue to track changes as they occur.² The first report for the NSW Tariff-Tracking project was published in August 2011 and this is the fourth up-date report focusing on price changes that have occurred over the last year.

We have developed four 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 2015

Workbook 2: Regulated gas offers July 2009-July 2015

Workbook 3: Electricity market offers July 2011, 2012, 2013, 2014 and 2015³

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

The four workbooks and the reports are available at www.vinnies.org.au/energy

² The regulated electricity offers workbook also contains the 2008 rates

³ 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 retail prices taking effect in July 2015 produce annual bills that are typically \$190 - \$400, or 9% - 13%, less (depending on network area and meter type) than they were last year (July 2014).⁴ See chart 1 in section 1 below.
- Electricity customers on the regulated rate prior to 1 July 2014 (approximately 35% of residential customers) were transferred to the 'transitional tariff'.⁵ Customers on the 'transitional tariff' have received even greater electricity price decreases of between \$235 and \$655, or 11% and 21% (depending on network area and meter type). See chart 2 in section 1.
- The main reasons for these price decreases are the repeal of the carbon tax and the lower regulated network charges. In Essential's network area the reduced network price is the main contributor while the repeal of the carbon tax has been the main driver for decreases in Ausgrid and Essential's areas. See chart 3 in section 1.
- Gas prices have decreased significantly in two pricing zones (the Jemena Sydney zone and the Jemena rural zone that covers Goulburn, Boorowa, Yass and Young). Gas prices in the Albury and Murray River region, on the other hand, have increased. While gas prices did reduce post the repeal of the carbon tax, it is not the main contributor to falling gas prices. See chart 7 in section 1.
- The overall price reduction to average market offer bills from July 2014 to July 2015 is \$220 - \$380 per annum, or 11% - 14%. However, we stress that a large proportion of this reduction is based on bills being paid on time. If these conditional discounts are not obtained, the average market offer has reduced by 9% - 13% over the same period. This is the same reduction we have registered for electricity standing offers. See section 2.
- Customers switching from the worst electricity standing offer to the best market offer can save up to \$550 - \$1,050 per annum (depending on the network area) if bills are paid on time.⁶ See section 2.1.

⁴ Based on the average standing offers as of July 2014 and July 2015

⁵ NSW deregulated electricity retail prices on 1 July 2014. The transitional tariff expires on 1 July 2016 and households still on this tariff by then, will be moved to their retailer's default standing offer.

⁶ Based on the worst standing offer (7,200kWh, single rate) and the best of the published market offers (*including* additional discounts and/or pay on time discounts).

- Customers switching from the ‘transitional’ electricity offer to the best market offer can save up to \$190 per annum in Ausgrid’s area and \$300 in Endeavour and Essential’s network areas.⁷ See section 2.1.
- The difference between electricity market offers is also significant. The difference between the single best and the single worst market offer ranges from \$590 per annum (in Endeavour’s area) to \$1,060 (in Essential’s area) for customers with typical consumption levels.⁸ The difference, or the price-spread, is thus significantly greater than last year when the range was \$340 to \$450. See section 2.1.
- Typical consumption gas customers in Jemena’s Sydney price zone, can potentially save \$120 on their annual gas bill (including pay on time discounts) by switching from the regulated offer to Covau’s market offer.⁹ See section 2.2
- The difference between electricity standing offer bills and market offer bills is increasing. In the Endeavour network (Western Sydney), for example, the average standing offer is now 13% more than the average market offer. See chart 21 in section 3.1.
- Two years ago (July 2013), the incumbent retailer in Ausgrid’s electricity network area, Energy Australia, had standing offer prices that were 8% higher than its market offer (including discounts). As of July 2015, the difference is 17%. See chart 22 in section 3.1.
- The difference in annual bills between customers that pay on time and customers that pay late is also on the increase. In July 2013, annual electricity market offer bills were on average 6% more (or \$130) for late paying customers compared to customers that paid on time in Ausgrid’s network area. As of July 2015, the difference is almost 13% or \$230 per annum. See chart 23 in section 3.2.
- In July 2015 the electricity Network Use of System charges (NUOS) decreased in all network areas and the annual “NUOS bill” for average consumption households in Essential’s network (country NSW) is now less than it was in 2010. See chart 24 in section 4.

⁷ Based on the ‘transitional offer’ (7,200kWh, single rate) and the best of the published market offers (*including* pay on time discounts).

⁸ Households using 7,200kWh per annum (single rate), market offers include pay on time discounts.

⁹ 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).

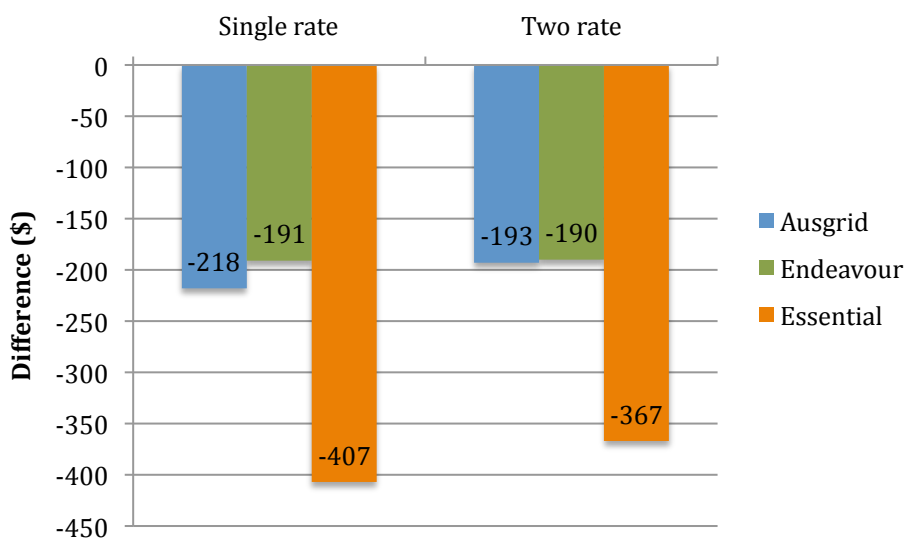
- The annual energy cost for dual fuel households with typical consumption levels has decreased by between \$190 and \$575. Households in Bathurst, Orange, Dubbo and Parkes are receiving the biggest price cuts while the Nowra and Shoalhaven region is at the lower end.¹⁰ See section 5.

¹⁰ Based average electricity standing offer (7,200kWh per annum, single rate) and the regulated gas offer (24,000Mj per annum) as of July 2014 and 2015.

1. Energy price changes from July 2014 to July 2015¹¹

A comparison of the July 2014 average retail standing offer (across all retailers) with the July 2015 average offer shows that electricity costs have decreased. Prices are now typically \$190 - \$400 less per annum (depending on network area and meter type) compared to one year ago. Chart 1 below shows annual decreases for average consumption households (per meter type) in the three network areas.

Chart 1 Changes to the annual electricity bill from July 2014 to July 2015 (average 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

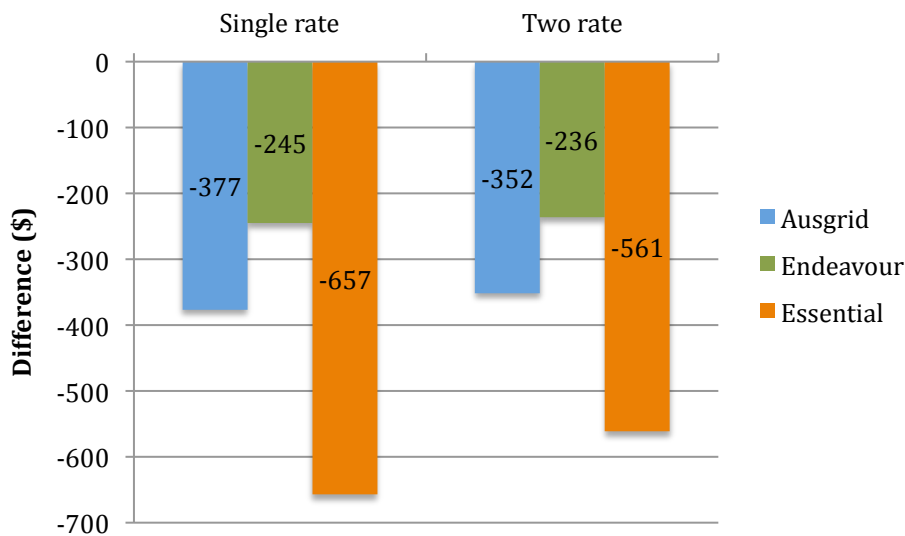


Customers on the 'transitional offer' have received even greater electricity price decreases of between \$235 and \$655, or 11% and 21% (depending on network area and meter type).¹² Chart 2 below shows annual decreases for average consumption households (per meter type) in the three network areas.

¹¹ These calculations are based on changes to the average standing offer for single rate electricity customers using 7,200kWh per annum, changes to the average 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.

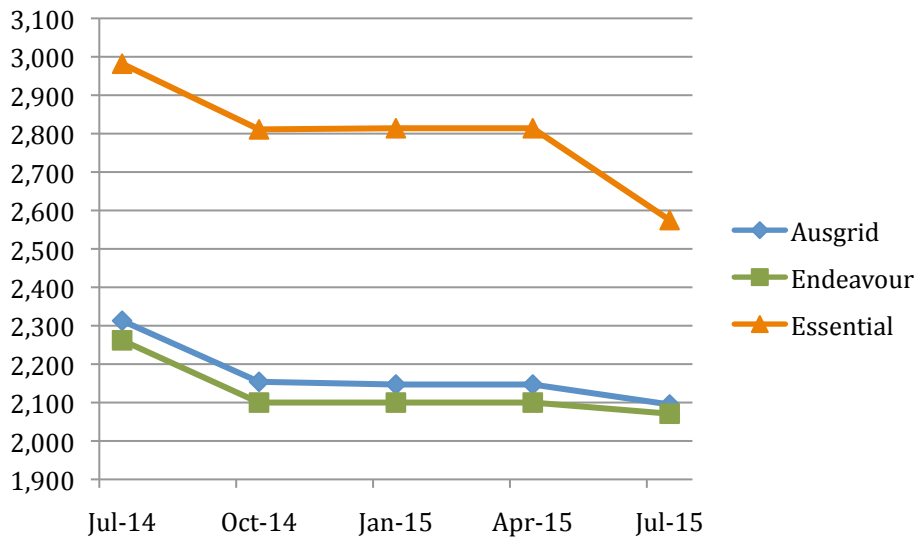
¹² Electricity customers on the regulated rate prior to 1 July 2014 were transferred to the 'transitional tariff'. The transitional tariff expires on 1 July 2016.

Chart 2 Decreases to the annual electricity bill from July 2014 to July 2015 (transitional 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



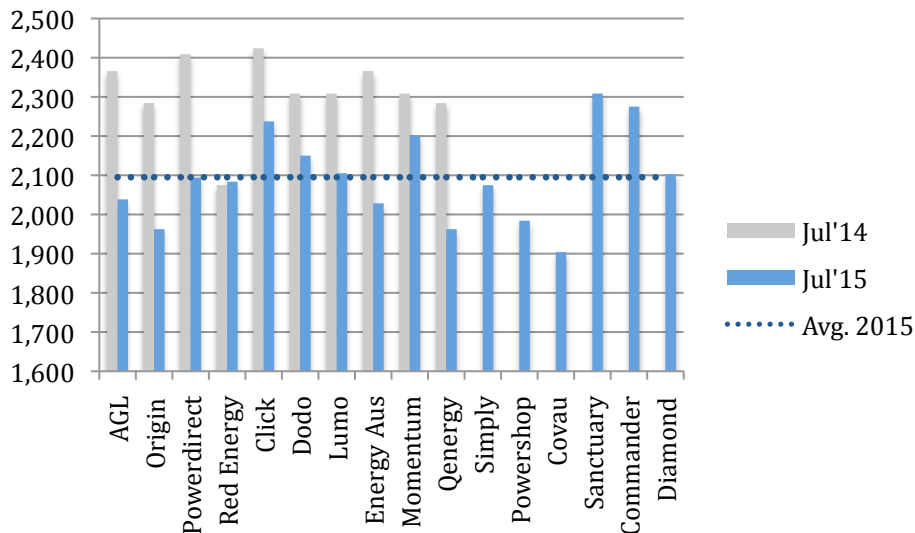
While standing offer prices in NSW have fallen by 9% - 13% since July 2014, it is important to note that the repeal of the carbon tax on 17 July 2014 (resulting in new prices being backdated to 1 July 2014) is the main contributor to these price decreases in the Ausgrid and Endeavour networks. Chart 3 below shows annual bills as of July 2014 (carbon inclusive), October 2014 (carbon exclusive) and July 2015. It shows that a typical annual bill in the Ausgrid network reduced by approximately \$160 (or 7%) after the repeal and has since then reduced by a further \$50 (or 2.5%). In the Endeavour network a typical bill reduced by \$160 after the repeal and has remained stable (slight decrease) since then. In the Essential network, however, the impact of the regulated network price changes in July 2015 is greater than the impact of the repeal. A typical annual bill reduced by \$170 (5.5%) after the repeal but has since then reduced by a further \$240 (8.5%).

Chart 3 Estimated annual bills for electricity standing offers, July 2014 and July 2015 (7,200 kWh per annum, single rate, inc GST)



Charts 4-6 show estimated annual bills for single rate customers (7,200kWh/annum) in each of the three network areas. In Ausgrid’s network area, all retailers have lower standing offers compared to last year with the exception of Red Energy.¹³ Five retailers have standing offer rates that produce higher annual bills than the average, these are: Sanctuary, Commander, Click, Momentum and Dodo. The difference between the highest (Sanctuary) and the lowest (Covau) standing offer bill is \$400.

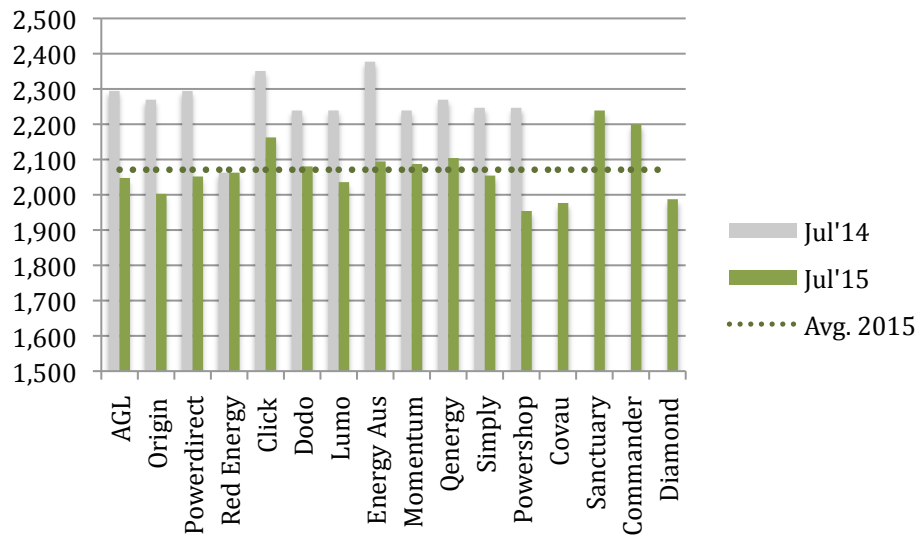
Chart 4 Ausgrid: Annual cost of electricity standing offers, July 2014 vs. July 2015, Based on 7,200kWh per annum for single rate, incl GST



¹³ As new retailers enter the market and some retailers exit, not all of the retailers included in this year’s analysis offered electricity to NSW consumers in July 2014. Furthermore, some retailers did (e.g. Simply) but were not included in the Tariff-Tracking analysis because of inaccessible or unreliable tariff information.

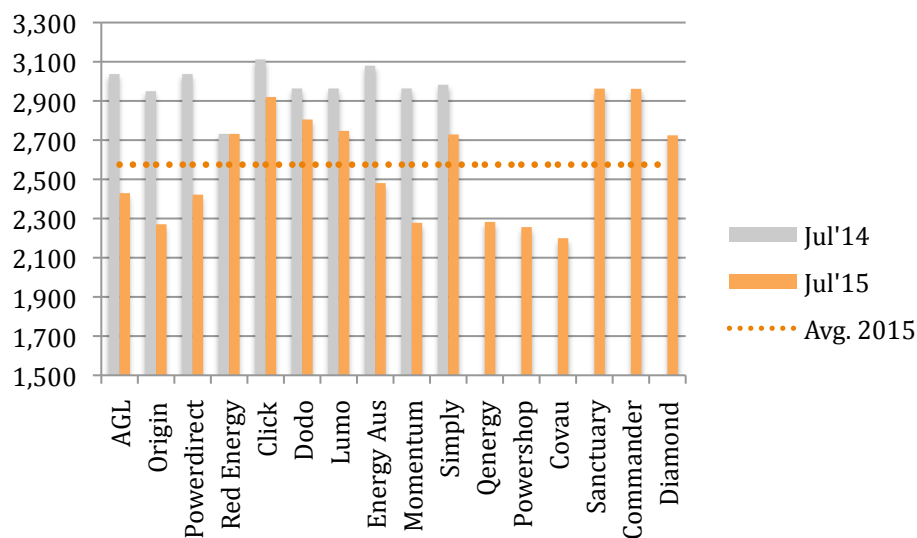
In the Endeavour Energy network area, the price-spread is lower than it is in the Ausgrid area. The difference between the highest (again Sanctuary) standing offer bill and the lowest (Powershop) is \$285.

Chart 5 Endeavour: Annual cost of electricity standing offers, July 2014 vs. July 2015, Based on 7,200kWh per annum for single rate, incl GST



In the Essential Energy network, on the other hand, the price-spread is significant. The difference between the single highest standing offer (Sanctuary) and the lowest (Covau) is \$760 per annum.

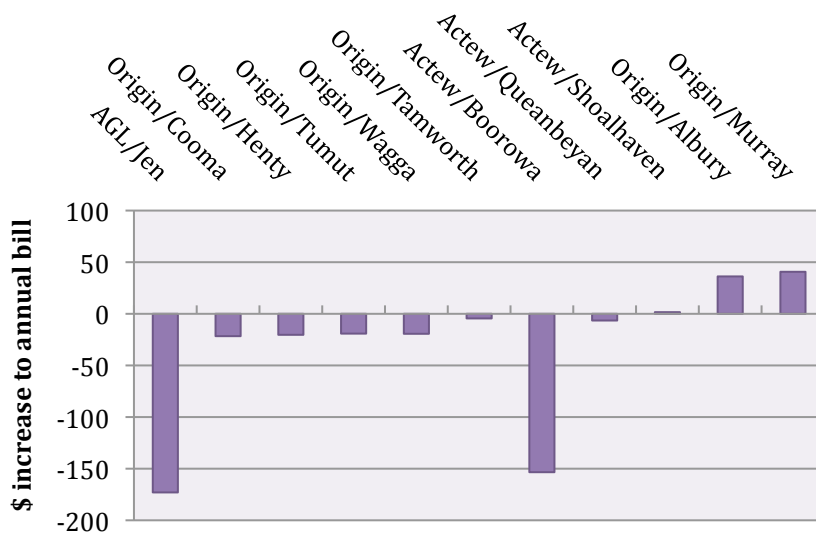
Chart 5 Essential: Annual cost of electricity, July 2013 (regulated rate) vs. July 2014 (standing offers), Based on 7,200kWh per annum for single rate, incl GST



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 2014, gas prices have reduced significantly in the two Jemena zones (Sydney and the southern Riverina/Goulburn area). Most other gas zones have received a moderate to small price decrease with the exception of the Origin zones in the Albury and Murray River region. The annual gas bill is down by \$175, or 16%, for average consumption households in Sydney while households in the Albury/Murray gas zones have had an increase of approximately \$40 to the annual bill.

Chart 7 Changes to the annual cost of gas from July 2014 to July 2015 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

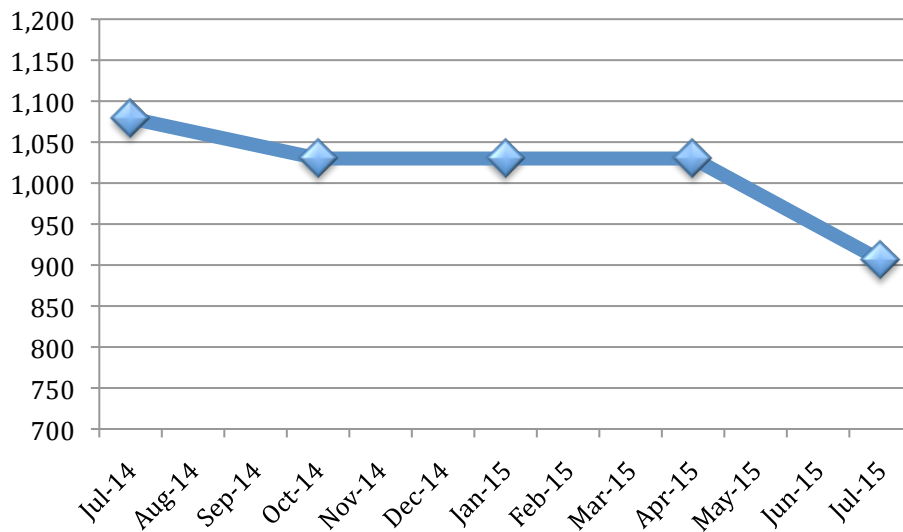
NSW Gas Zones and host retailers	
Jemena Sydney (AGL)	Sydney, Newcastle, Wollongong, Blue Mountains
Jemena Regional (ActewAGL)	Boroowa, Goulburn, Yass and Young
Envestra (Origin)	Cooma and Bombala
	Temora*, Holbrook, Henty, Culcairn and Walla Walla
	Tumut and Gundagai
	Wagga Wagga and Uranquity
	Albury, Moama and Jindera
	Murray Valley Towns
Central ranges (Origin)	Tamworth
ActewAGL (ActewAGL)	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 and, for seasonal tariffs, the winter/summer prices have been allocated according to the timeframes to which they apply, e.g. 4 months winter peak (33.33% of the year) and 8 months summer off-peak (66.66% of 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.

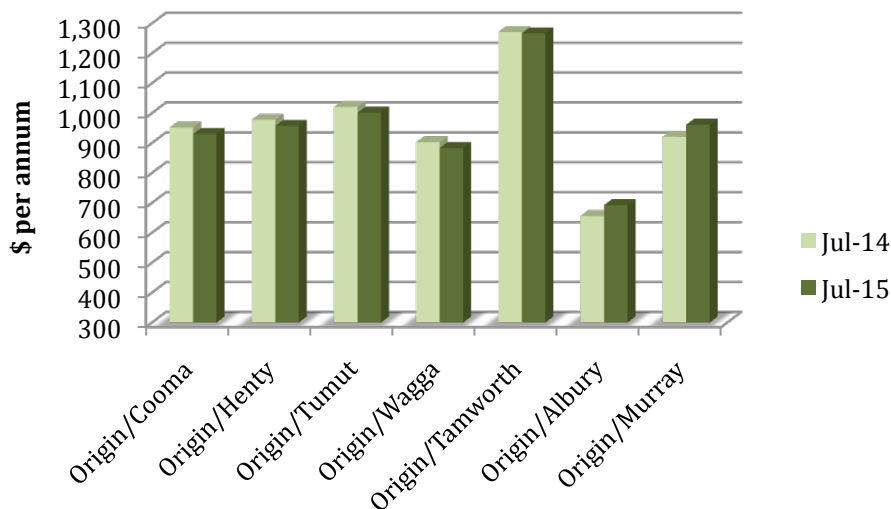
Chart 8 below shows annual gas bills for the Jemena/Sydney zone based on the regulated gas offers as of July 2014 (carbon inclusive), October 2014 (carbon exclusive), January and July 2015. They show that households experienced a price decrease (approximately \$50) due to the carbon repeal and that prices decreased by a further \$120 in July 2015.

Chart 8 Estimated annual bills for regulated gas offers in AGL/Jemena’s area, July 2014 and July 2015 (24,000Mj per annum, inc GST)



Charts 9 and 10 below show annual gas bills for the regional gas zones based on the regulated gas offers as of July 2014 (carbon inclusive) and July 2015 (carbon exclusive).

Chart 9 Estimated annual bills for regulated gas offers in Origin’s areas, July 2014 and July 2015 (24,000Mj per annum, inc GST)¹⁴



¹⁴ 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.

Chart 10 Estimated annual bills for regulated gas offers in ActewAGL’s areas, July 2014 and July 2015 (24,000Mj per annum, inc GST)¹⁵

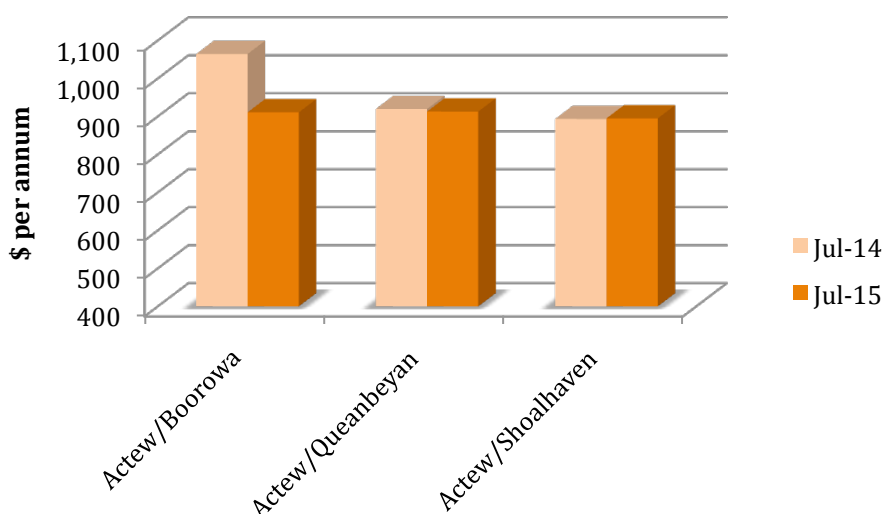


Table 2 and 3 below highlight some of the price trends for NSW electricity and gas offers. For more detailed information about the areas and differences in energy price changes see section 5.

Table 2 Changes to electricity prices by area July 2014 – July 2015¹⁶

Area	Changes to annual bill since July 2014		Percentage
	Single rate	Two rate [^]	
Inner Sydney, the Central Coast up to Newcastle, and inland areas such as Maitland, Cessnock, Singleton and Upper Hunter (Ausgrid)	-\$220	-\$190	-9%
Western Sydney, most of the Illawara Coast, the Blue Mountains and inland towns such as Lithgow and Kandos (Endeavour Energy)	-\$190	-\$190	-8-9%
Most of rural and regional NSW - from north of Port Stephens and Murrundi, south of Batemans Bay and east of Lithgow (Essential Energy)	-\$400	-\$370	-13%

[^] For all-electric households with peak/off-peak (controlled load) rates

¹⁵ Note: The Boorowa zone includes Goulbourn, Yass and Young. The Queanbeyan zone includes Bungendore.

¹⁶ Based on household consumption of 7,200kWh per annum at the average standing offer rate 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.

Table 3 Changes to gas prices by area July 2014 – July 2015¹⁷

Area	Changes to annual bill since July 2014	Percentage
Sydney, Newcastle, Wollongong, Blue Mountains (AGL)	-\$175	-16%
Cooma and Bombala (Origin)	-\$20	-2%
Temora, Holbrook, Henty, Culcairn and Walla (Origin)	-\$20	-2%
Tumut and Gundagai (Origin)	-\$20	-2%
Wagga Wagga and Uranquity (Origin)	-\$20	-2%
Tamworth (Origin)	\$0	0%
Boroowa, Goulburn, Yass and Young (ActewAGL)	-\$155	-14%
Queanbeyan and Bundgendore (ActewAGL)	-\$6	-1%
Shoalhaven (ActewAGL)	\$0	0%
Albury, Moama and Jindera (Origin)	\$35	6%
Murray Valley Towns (Origin)	\$40	4%

¹⁷ Based on the regulated gas rates for customers using 24,000Mj per annum.

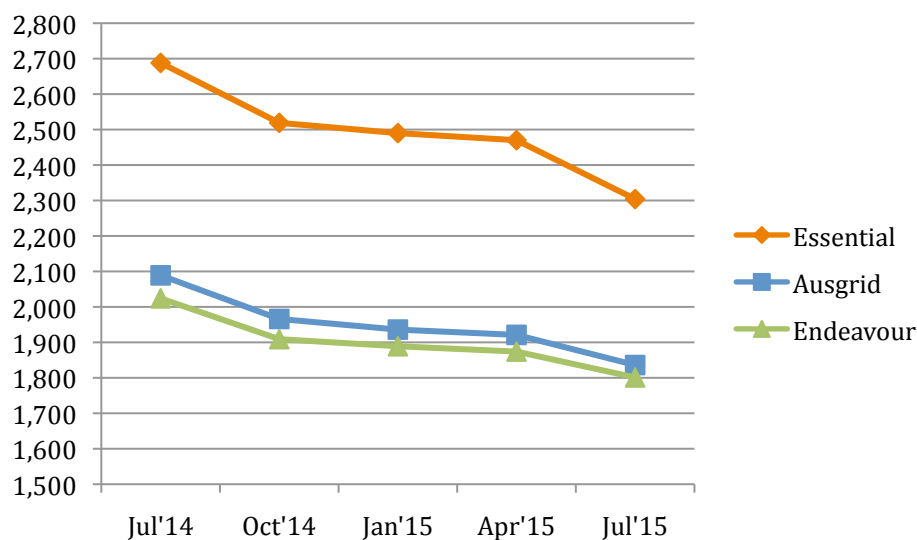
2. Market offers July 2015

Section 1 above shows that the retailers' electricity standing offers decreased post the repeal of the carbon tax as well as in July 2015 (especially in Essential's area). Average market offers also decreased post the repeal (by 6%) and continued to decline slightly in January and April 2015, before reducing by another 4% - 7% in July 2015 (see chart 11). The overall price reduction to average market offer bills from July 2014 to July 2015 is \$220 - \$380 per annum, or 11% - 14%. However, we stress that a large proportion of this reduction is based on bills being paid on time. If these conditional discounts are not obtained, the average market offer has reduced by 9% - 13% over the same period. This is the same reduction we have registered for electricity standing offers.

It should also be noted that retail market offers typically feature high pay on time discounts that are applied to the usage component of bills only. However, as these usage charges are now lower consumers may easily overestimate the benefits of a slightly higher discount. Consumers looking to switch retailers should therefore not just look for the highest discount. For example, a 10% pay on time discount off usage charges will produce a \$10 saving if the usage charges are \$100. A 12% pay on time discount will produce an \$8.40 saving if the usage charges are \$70. It is therefore important that consumers understand what the discount applies to and how much it translates to in actual dollar terms. In addition, the fixed supply charges have not reduced, effectively resulting in the fixed supply charge becoming a larger proportional component of bills for market offer customers compared to standing offer customers.

Our NSW Tariff-Tracker data shows that the consumption price (cents per kWh) component of average market offer rates (prior to discounts) reduced by 9%-15% (depending on network area) from July 2014 to July 2015. The fixed supply charge (cents per day), however, increased by 1% over the same period. At the same time, the fixed charges attracted an average discount of approximately 3% in both July 2014 and July 2015, while the average discount for usage charges increased to 8.5% in July 2015 (from 5% in July 2014).

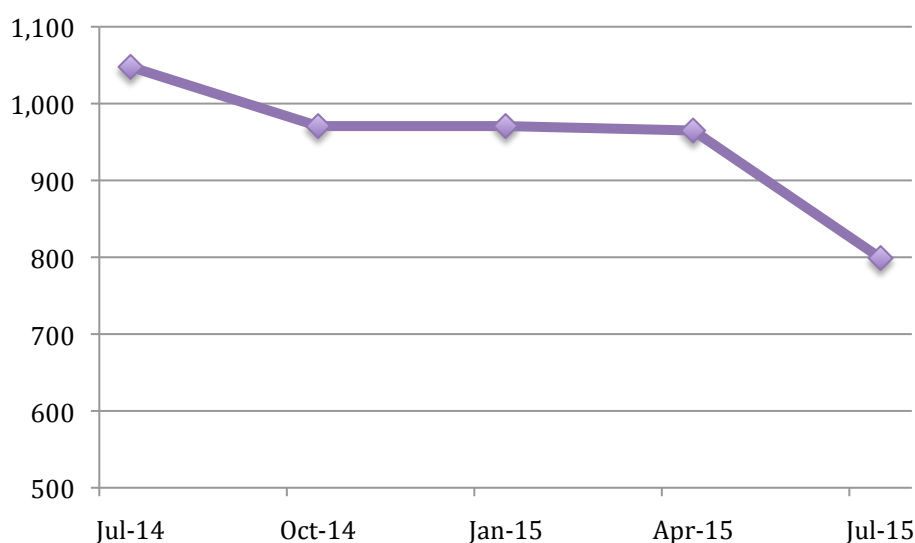
Chart 11 Average electricity market offers from July 2014 to July 2015 for each of the three network areas. Bill calculations include discounts, pay on time discounts and GST - Households consuming 7,200kWh per annum (single rate)¹⁸



In relation to gas, section 1 shows that the regulated gas offer decreased by 4.5% after the repeal of the carbon tax and a further 12% in July 2015. The average gas market offer decreased by 7% after the repeal of the carbon tax and a further 17% in July 2015 (see chart 12). While the gas market offers follow the same pattern as the gas standing offers, the overall price reduction (including pay on time discounts) has been higher.

¹⁸ Sources: July 2014 and 2015 prices from St Vincent de Paul Society's NSW Tariff-Tracker; October 2014 prices from Alvis Consulting, *Tax on, Tax off: Electricity prices before and after the repeal of the carbon tax*, November 2014; January 2015 prices from Alvis Consulting, *Residential electricity and gas prices from January 2012 to January 2015*, A report to the ACCC, March 2015; April 2015 prices from Alvis Consulting's data collection service.

Chart 12 Average gas market offer (single fuel offers only) from July 2014 to July 2015. In the Jemena/Sydney gas zone. Bill calculations include discounts, pay on time discounts and GST - Households consuming 24,000Mj per annum¹⁹



2.1 Electricity market offers July 2015²⁰

- Typical consumption households (7,200kWh) can save \$550 - \$1,050 per annum (depending on their network area) if switching from the worst standing offer to the best market offer.²¹
- The greatest potential saving is in Essential's network area (approximately \$1,050).²² This is \$340 more than customers switching in July last year could achieve.
- Customers switching from the 'transitional offer' to the best market offer can save up to \$190 per annum in Ausgrid's area and \$300 in Endeavour and Essential's network areas.²³

¹⁹ Ibid

²⁰ The market offers were collected between the 15th and the 21st of July 2015 and 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 Simply Energy in our analysis pertaining to Endeavour and Essential's network areas. Furthermore, we note that two retailers (Power Direct and Sanctuary) may have changed their offers without updating their websites. We therefore caution readers to rely on specific findings in relation to these retailers.

²¹ Based on the worst standing offer (single rate) and the best of the published market offers (*including* additional discounts and/or pay on time discounts).

²² Ibid.

- The difference between the best and the worst market offer ranges from \$590 per annum (in Endeavour’s area) to \$1,060 (in Essential’s area) for customers with typical consumption levels.²⁴ The difference, or the price-spread, is thus significantly greater compared to last year when the range was \$340 to \$450.
- The big price-spread is somewhat skewed by the single worst retail offer in each network area (Sanctuary’s offers). If we exclude these outliers, the difference between the best and the worst market offer ranges from \$360 per annum (in Endeavour’s area) to \$810 (in Essential’s area).²⁵ Chart 13 below shows the retail market offer price-spread within each of the three network areas.

Chart 13 Price-spread for fifteen electricity market offers in each network area post July 2015 (incl GST), including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)

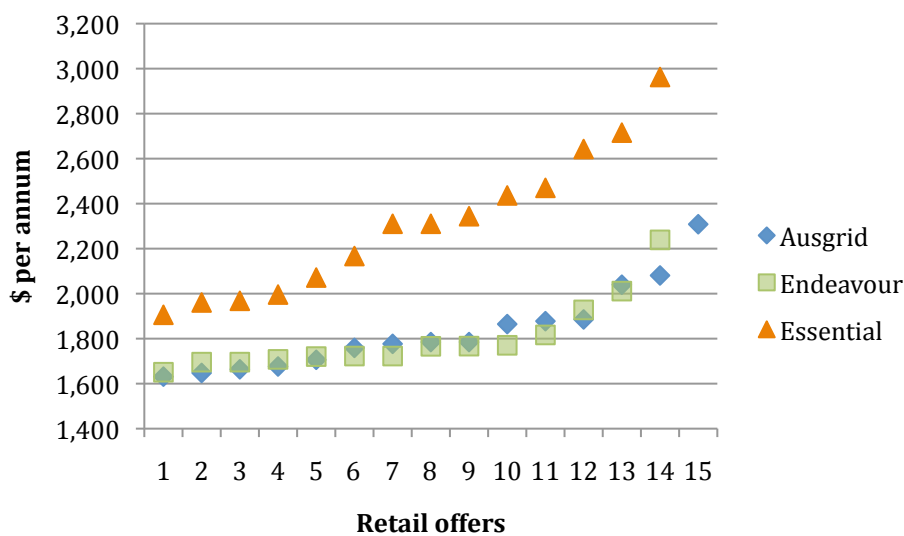


Table 4 below shows additional discounts applicable to the electricity retailers’ published market offer rates. Table 4 also shows other contract terms and features, such as early termination fees, associated with these market offers. Some of the retailers have multiple market offers and may offer higher (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.²⁶

²³ Based on the ‘transitional offer’ (7,200kWh, single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).

²⁴ Households using 7,200kWh per annum (single rate) and all market offer bills include additional discounts and/or pay on time discounts.

²⁵ Ibid

²⁶ Momentum, for example, has introduced a direct debit discount where customers receive a 2% discount off the market offer electricity rates (their Smile Power product). This discount is not included in the bill calculations presented in this report.

Table 4 Published electricity market offers post July 2015: Key additional features and contract conditions

	Guaranteed discounts	Contract term/ benefit period	Early Termination Fee	Late Payment Fee	Pay on time discounts	Other
AGL	No	1 year	No	\$12.75	16% off usage	Yes [^]
Origin	No	1 year	No	\$12	18% off usage	Yes
Click	No	No	No	\$12	7% off bill	No
Simply	10% off bill ^{^^}	2 years	Up to \$143	No	No	No
Energy Australia	No	1 year	No	\$12	18% off usage	No
Dodo	No	No	No	No	20% off usage	No
Momentum	No	1 or 3 years	\$49.50 or \$99	No	No	No
Powerdirect	No	3 years	\$48	\$12.75	18% off usage	Yes
Red	No	2 years	Up to \$95	No	10% off bill	Yes
Lumo	No	2 years	Up to \$75	No	10% off bill	Yes
Powershop	No	No	No	No	12% off bill*	Yes
Covau	No	1 year	\$25	No**	16% off usage	Yes
Diamond	No	2 years	\$22	\$15	3% off bill	Yes
Sanctuary	No	3 years	No**	\$25	No	No
Commander	No	No	No	No	20% off usage	No

[^]AGL's offer includes a further 2% off consumption rates for dual fuel customers.

^{^^}Simply offers a 10% discount in Ausgrid's area and it does currently not have published offers for other network areas

* Powershop's discount is conditional upon the customer regularly purchasing their Online Saver product.

** Retailers' Fact sheets do not mention this fee

Note: Examples of other features include loyalty bonuses, credits to the account upon commencing a contract and shop vouchers.

2.1.1 Potential savings - Differences between electricity offers

Typical consumption households (7,200kWh per annum) on the worst standing offer can save \$550 - \$1,050 per annum if switching to the best published market offer (depending on their network area).²⁷ 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 14-16 below show annual retail bills for typical consumption (7,200kWh per annum, single rate) for each of the three network areas. The blue columns to the left represent the standing offer bill, 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.²⁸ The dotted lines show the 'transitional offer' in each network area.

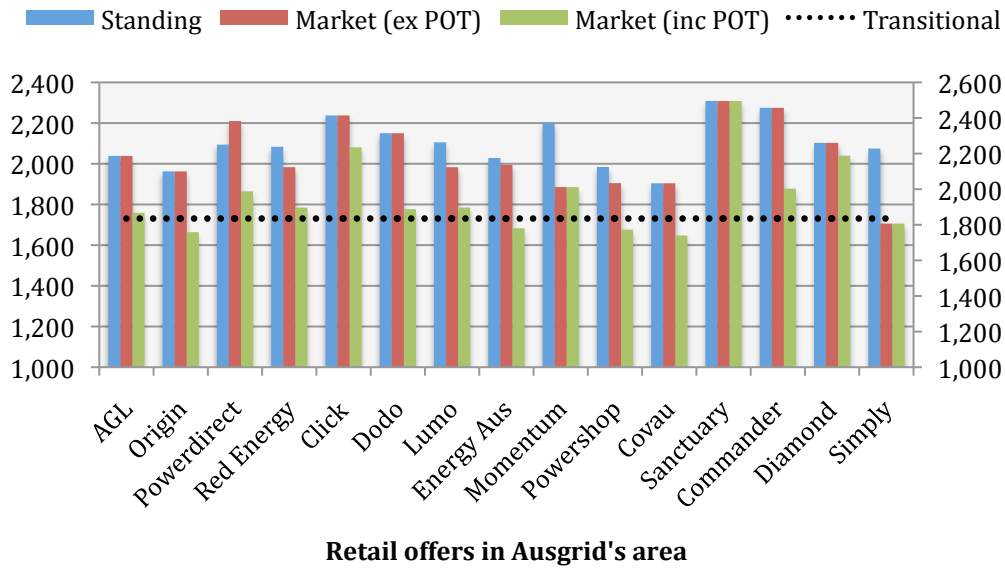
Ausgrid

In Ausgrid's area, average consumption households on the worst standing offer can save approximately \$660 per annum if switching to the best published market offer. Covau is the retailer that currently offers the best market offer rates in this area. Customers currently on the 'transitional offer' may save \$190 per annum if switching to the best market offer. As most market offer discounts are conditional upon bills being paid on time, however, none of these offers will produce a saving for late paying customers currently on the 'transitional offer'.²⁹

²⁷ Based on market offer bills that include discounts and pay on time discounts.
















²⁸ These market offers were collected between the 15th and the 21st of July 2015 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 14 Ausgrid’s network area: Estimated annual bills (incl GST) for electricity transitional, standing and market offers post July 2015, 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. Covau’s offer is approximately \$660 less than Sanctuary’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 (brackets).

Figure 1 Ausgrid’s network area: Lowest to highest annual bills (incl GST) for market offers post July 2015, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)³⁰

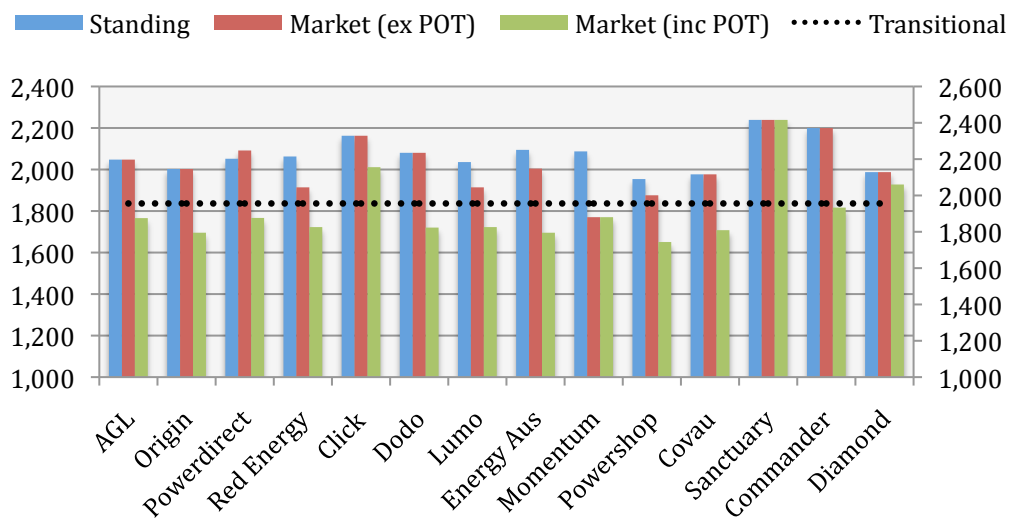
	1. Covau	\$1,648 (-)
	2. Origin Energy	\$1,664 (4)
	3. Powershop	\$1,676 (-)
	4. Energy Australia	\$1,683 (6)
	5. Simply Energy	\$1,706 (-)
	6. AGL	\$1,759 (8)
	7. Dodo	\$1,777 (2)
	8. Red Energy	\$1,785 (1)
	9. Lumo Energy	\$1,785 (7)
	10. Powerdirect	\$1,865 (10)
	11. Commander	\$1,878 (-)
	12. Momentum	\$1,885 (9)
	13. Diamond	\$2,040 (-)
	14. Click Energy	\$2,081 (5)
	15. Sanctuary	\$2,308 (-)

³⁰ These market offers were collected between the 15th and the 21st of July 2015 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 the worst standing offer can save approximately \$590 per annum if switching to the best published market offer. Powershop is the retailer with the best market offer rates. Customers currently on the ‘transitional offer’ may save \$300 per annum if switching to the best market offer.


Chart 15 Endeavour’s network area: Estimated annual bills (incl GST) for electricity transitional, standing and market offers post July 2015, 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 similar to that of Ausgrid’s network area. Powershop’s offer is approximately \$590 less than Sanctuary’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 (brackets).

Figure 2 Endeavour’s network area: Lowest to highest annual bills (incl GST) for market offers post July 2015, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate) ³¹

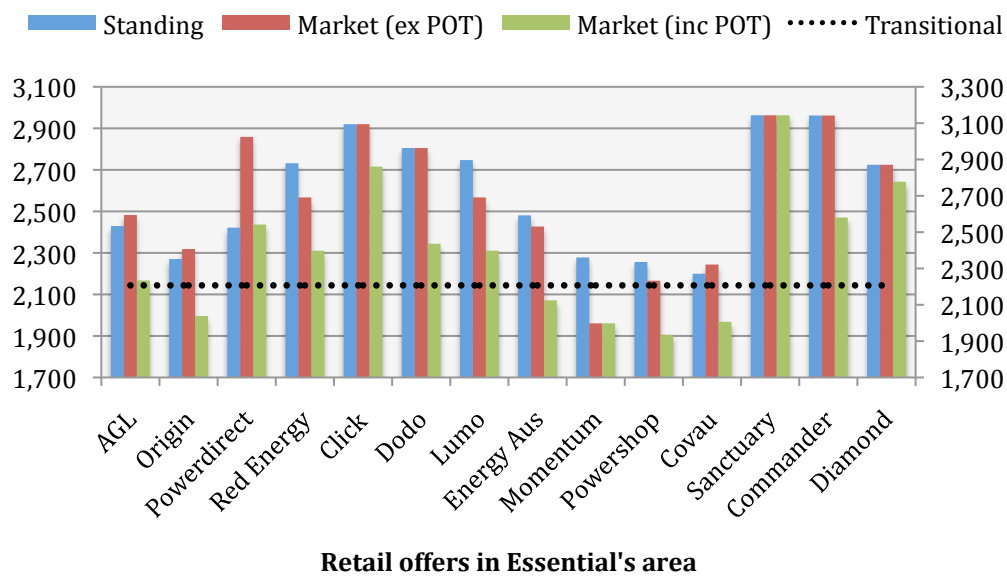
	1. Powershop	\$1,651 (-)
	2. Energy Australia	\$1,695 (7)
	3. Origin Energy	\$1,696 (6)
	4. Covau	\$1,708 (-)
	5. Dodo	\$1,720 (2)
	6. Red Energy	\$1,723 (1)
	7. Lumo Energy	\$1,723 (8)
	8. AGL	\$1,766 (10)
	9. Powerdirect	\$1,767 (11)
	10. Momentum	\$1,770 (9)
	11. Commander	\$1,816 (-)
	12. Diamond	\$1,928 (-)
	13. Click Energy	\$2,011 (4)
	14. Sanctuary	\$2,239 (-)

³¹ These market offers were collected between the 15th and the 21st of July 2015 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 the worst standing offer can save approximately \$1,050 per annum if switching to the best published market offer. Powershop is the retailer with the best market offer rates in this network area. Customers currently on the ‘transitional offer’ may save \$300 per annum if switching to the best market offer.

Chart 16 Essential’s network area: Estimated annual bills (incl GST) for electricity transitional, standing and market offers post July 2015, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate)



As in other network areas, the difference between the best and the worst market offer is significant. Powershop’s offer is approximately \$1,050 less per annum than Sanctuary’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 (brackets).

Figure 3 Essential’s network area: Lowest to highest annual bills (incl GST) for market offers post July 2015, including discounts and pay on time discounts - Households consuming 7,200kWh per annum (single rate) ³²

	1. Powershop	\$1,906 (-)
	2. Momentum	\$1,961 (8)
	3. Covau	\$1,968 (-)
	4. Origin Energy	\$1,996 (4)
	5. Energy Australia	\$2,072 (6)
	6. AGL	\$2,167 (9)
	7. Red Energy	\$2,310 (1)
	8. Lumo Energy	\$2,310 (7)
	9. Dodo	\$2,344 (2)
	10. Powerdirect	\$2,436 (10)
	11. Commander	\$2,470 (-)
	12. Diamond	\$2,643 (-)
	13. Click Energy	\$2,716 (3)
	14. Sanctuary	\$2,963 (-)

³² These market offers were collected between the 15th and the 21st of July 2015 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.

2.2 Gas market offers July 2015

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 approximately \$140 per annum. The difference between *stand-alone* gas market offers, however, is minimal. See chart 17 below.
- Typical consumption households (24,000 Mj) can save \$120 per annum if switching from the regulated offer to the best market offer.³³ See chart 19 below.

Chart 17 Price-spread for seven gas market offers in the Jemena pricing zone post July 2015 (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.

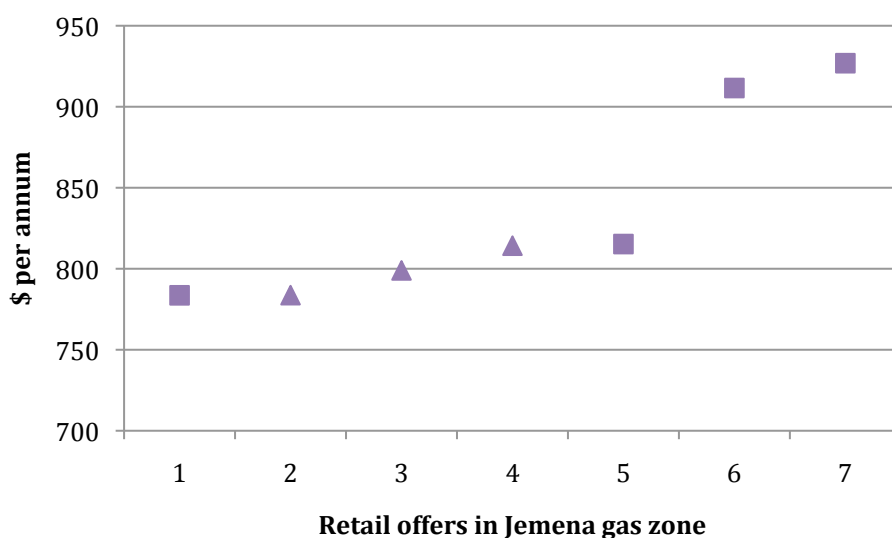
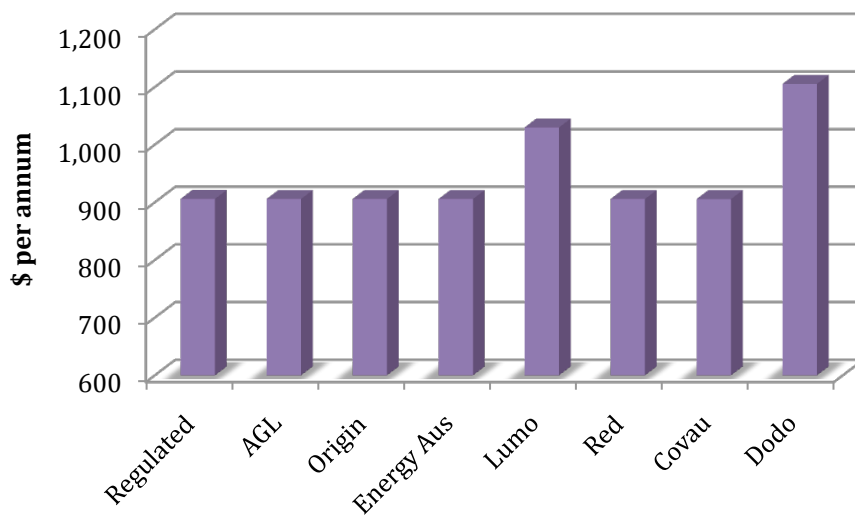


Chart 18 below shows that most retailers have rates that are the same as the regulated rates (prior to additional discounts). Two retailers, Lumo and Dodo, have market offer rates that are higher than the regulated rates.³⁴ Lumo, Red, Covau and Dodo only offer gas in conjunction with electricity (dual fuel products).

³³ Based on the regulated offer and the best of the published market offers (*including* pay on time discounts).

³⁴ These market offers were collected between the 4th and the 8th of July 2015 and it should be noted that retailers may change their rates at any time.

Chart 18 Gas offers in Jemena/AGL zone as annual bills (excluding discounts), July 2015 (24,000Mj per annum, inc GST)



The calculations for the market offers in chart 18 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 5 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 5 Published gas market offers in Jemena/AGL gas zone as of July 2015: Key additional features and contract conditions

	Guaranteed discounts	Contract term/benefit period	Early Termination Fee	Late Payment Fee	Pay on time discounts	Other
AGL [^]	No	1 year	No	\$12	14% off usage	Yes
Origin [^]	No	1 year	No	\$12	16% off usage	No
Energy Australia	No	1 year	No	\$12	12% off usage	No
Lumo [*]	No	2 years	Up to \$75	No	10% off bill	No
Red [*]	No	2 years	\$20	No	10% off bill	No
Covau [*]	No	1 year	\$25	No ^{^^}	16% off usage	Yes
Dodo [*]	No	No	No	No	20% off usage	No

[^] AGL's offer includes a further 2% off consumption rates for dual fuel customers.

^{^^} Covau's Price fact sheet does not mention late payment fees

^{*} Retailers that only offer gas as a dual fuel product (in conjunction with an electricity offer).

Note: Examples of other features include loyalty bonuses, credits to the account upon commencing a contract and shop vouchers.

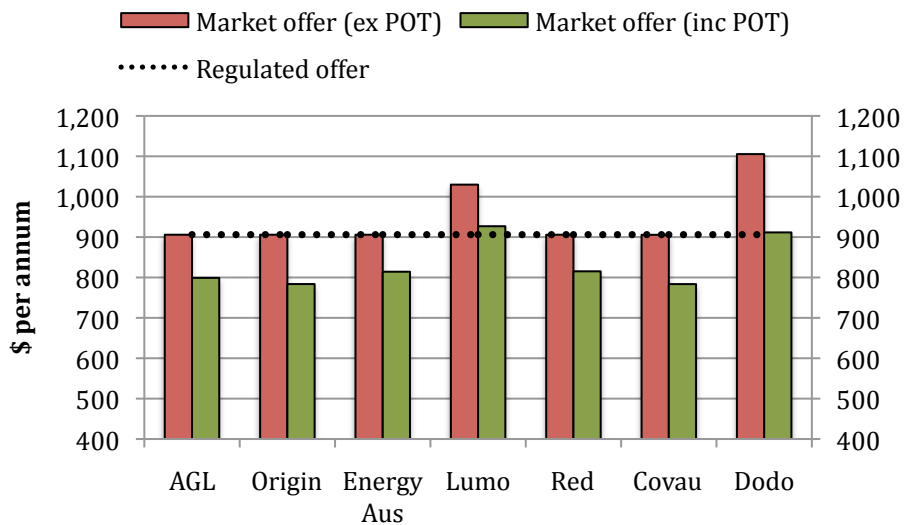
2.2.1 Potential savings - Differences between gas offers

Chart 19 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.³⁵ The dotted line represents the regulated rates that took effect in July 2015.

Customers switching from the regulated offer to Origin or Covau's market offers can potentially save \$120 on their annual gas bill (including pay on time discounts). However, as Covau's offer is only available in conjunction with electricity, potential customers should carefully examine Covau's electricity offer. If customers on the regulated offer switch to Lumo or Dodo, they will pay the same as they do on the regulated offer, even after the pay on time discounts have been applied.




³⁵ These market offers were collected from the retailers' websites between the 4th and 8th of July 2015. Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in table 5.

Chart 19 Gas offers in Jemena/AGL area: Estimated annual bill for market offers (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 (Origin) and the worst (Energy Australia) market offers is only \$30 per annum.

Figure 4 Jemena/AGL gas zone: Lowest to highest annual bills (incl GST) for stand-alone gas market offers post July 2015, including discounts and pay on time discounts - Households consuming 24,000Mj per annum³⁶

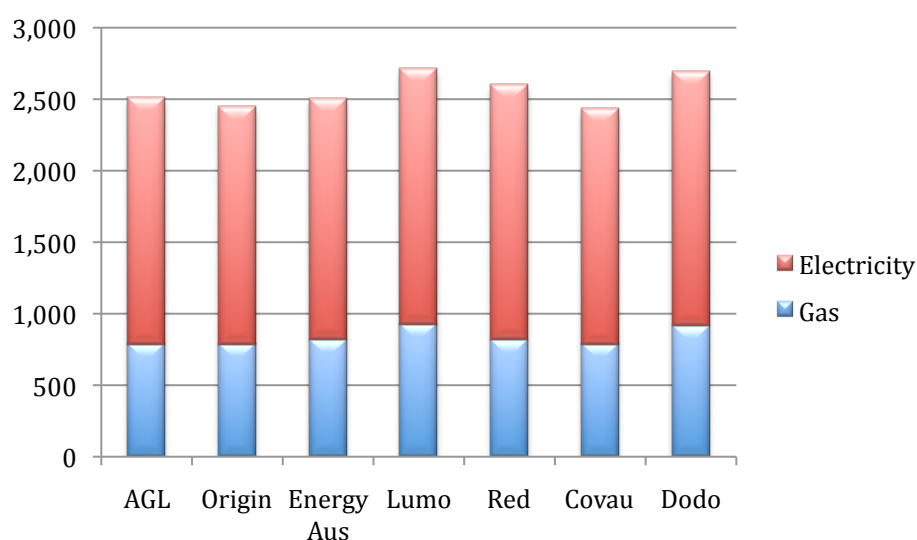
	Origin Energy	\$784 (2)
	AGL	\$799 (1)
	Energy Australia	\$814 (3)

³⁶ These bill estimates are based on rates published on the retailers' websites between the 4th and 8th of July 2015 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 July 2015³⁷

As four out of seven gas retailers only offer gas as a dual fuel product we have included a comparison of dual fuel offers for households in Ausgrid's electricity network and the Jemena/AGL gas zone. Chart 20 below shows that Covau currently offers the best value dual fuel product for typical consumption households in this area. Lumo Energy's offer is the most expensive (\$280 more than Covau's). Covau's dual fuel offer is approximately \$15 less per annum than the best single fuel electricity and gas offers combined (\$2,431).³⁸

Chart 20 Ausgrid network and Jemena/AGL gas zone: Estimated annual bills (incl GST) for dual fuel offers post July 2015, including discounts and pay on time discounts - Households consuming 7,200kWh and 24,000Mj per annum³⁹






³⁷ 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 between the 4th and 21st of July 2015 and it should be noted that retailers may change their rates at any time.

³⁸ Figure 1 (section 2.1) shows that the best value stand-alone electricity offer is \$1,664 per annum (Origin) and the best value gas offer is \$784 per annum (Origin in figure 4 in section 2.2).

³⁹ Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in the table 4 and 5 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 post July 2015, including discounts and pay on time discounts - Households consuming 7,200kWh and 24,000Mj per annum⁴⁰

	Covau	\$2,431
	Origin Energy	\$2,447
	Energy Australia	\$2,497
	AGL	\$2,508
	Red Energy	\$2,600
	Dodo	\$2,688
	Lumo Energy	\$2,712

⁴⁰ These bill estimates are based on rates published on the retailers' websites between the 4th and 21st of July 2015 and it must be noted that retailers may change their rates at any time.

3. Retail market developments

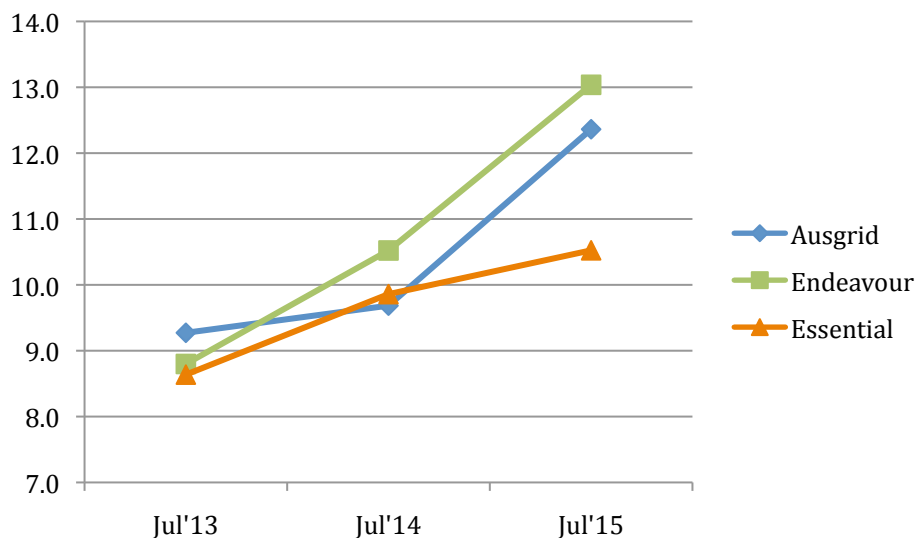
This section discusses emerging issues and trends in the energy retail market and for this update report we have decided to highlight two emerging issues:

- 1) Increasing price difference (the price-spread) between electricity standing offers and market offers
- 2) More retailers applying late payment fees as well as higher fees

3.1 The price-spread

NSW deregulated electricity retail prices on 1 July 2014 and a difference between standing offer bills and market offer bills (including discounts) was to be expected. Chart 21 below shows the average percentage difference to annual bills for typical consumption households on standing offers and market offers (including pay on time discounts) in each of the network areas from July 2013 to July 2015.⁴¹ It shows that the market offers (including discounts) were typically 9% less than the regulated offer in all network areas in July 2013. Since then, the difference (the price-spread) has increased and it varies between network areas. The average standing offer is now over 13% more than the average market offer in the Endeavour network while the average saving for market offer customers in Essential's network is 10.5%.

Chart 21 Estimated difference (%) to average annual bills for standing offer and market offer customers using 7,200 kWh per annum (single rate)

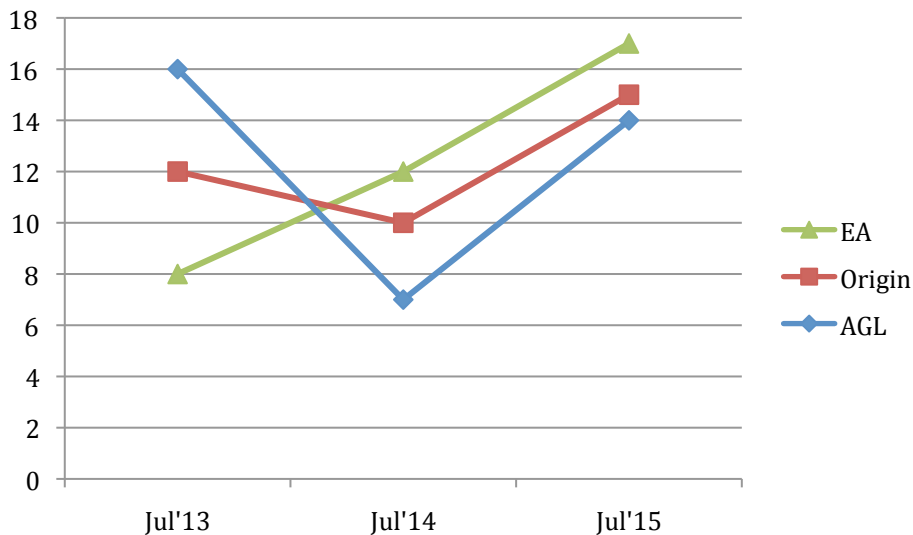


As the major retailers (Origin, Energy Australia and AGL) typically offer greater (pay on time) discounts than the average smaller retailer, the bill difference between

⁴¹ Based on households consuming 7,200 kWh per annum. The July 2013 standing offer is the regulated rate.

standing offer customers and market offer customers is greater for these three retailers. Chart 22 below shows that a standing offer customer with Energy Australia in Ausgrid’s network will have an annual bill that is 17% higher than a market offer customer with the same retailer. In July 2013, by comparison, the difference was only 8%.

Chart 22 Estimated difference (%) to average annual bills for standing offer and market offer customers in Ausgrid’s network area, using 7,200 kWh per annum (single rate)



3.2 Late payment fees

We have previously raised our concern 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.⁴²

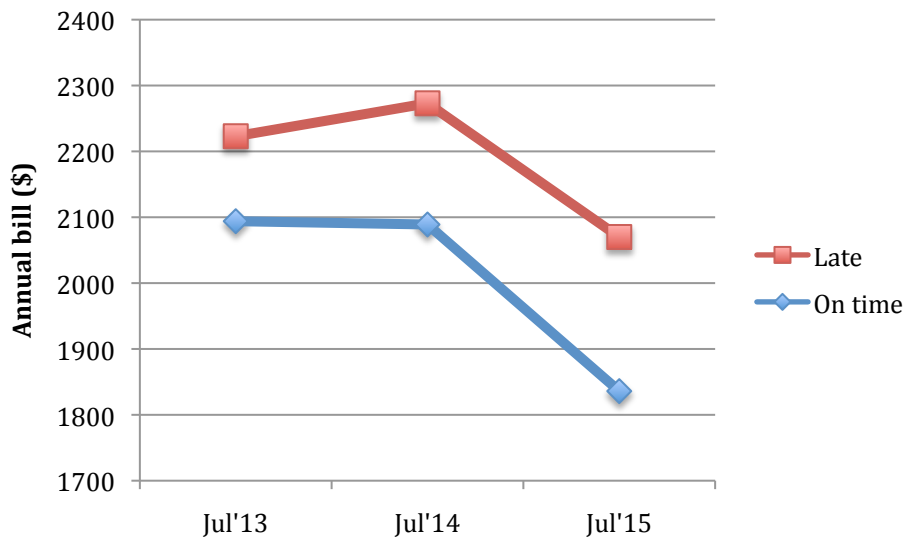
Discounting is clearly an effective marketing tool and we note that only one retailer currently offers discounts that are not conditional upon bills being paid on time. Sanctuary Energy, on the other hand, does not offer any discounts but their late payment fee is a significant \$25.

In July 2013, annual market offer bills were on average 6% (or \$130) more for late paying customers compared to customers that paid on time in Ausgrid’s network area. As of July 2015, the difference is almost 13% or \$230 per annum. Chart 23

⁴² 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)

shows the average annual bill for customers that pay on time and customers that pay late from July 2013 to July 2015.⁴³

Chart 23 Average annual electricity bills for market offer customers that pay late and pay on time in Ausgrid's network area, 7,200 kWh per annum (single rate)



⁴³ Based on households consuming 7,200 kWh per annum (single rate) in Ausgrid's network area. Late paying bills do not include pay on time discounts (as per retail offer) and include four late fees (if applied by the retailers).

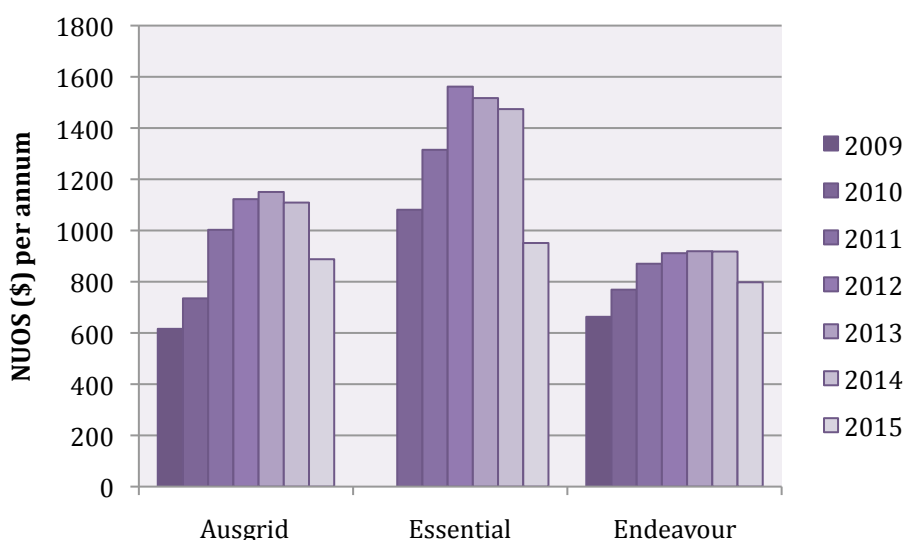
4. Network charges

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 have flattened out as well as decreased since then. In July 2015 the NUOS decreased in all network areas and the annual “NUOS bill” for average consumption households in Essential’s network is now less than it was in 2010. See chart 24 below.

Network charges as proportion of total bill have thus also flattened out or decreased in recent years. The NUOS proportion is currently 42% in Ausgrid, 37% in Essential and 38% in Endeavour. See chart 25 below.

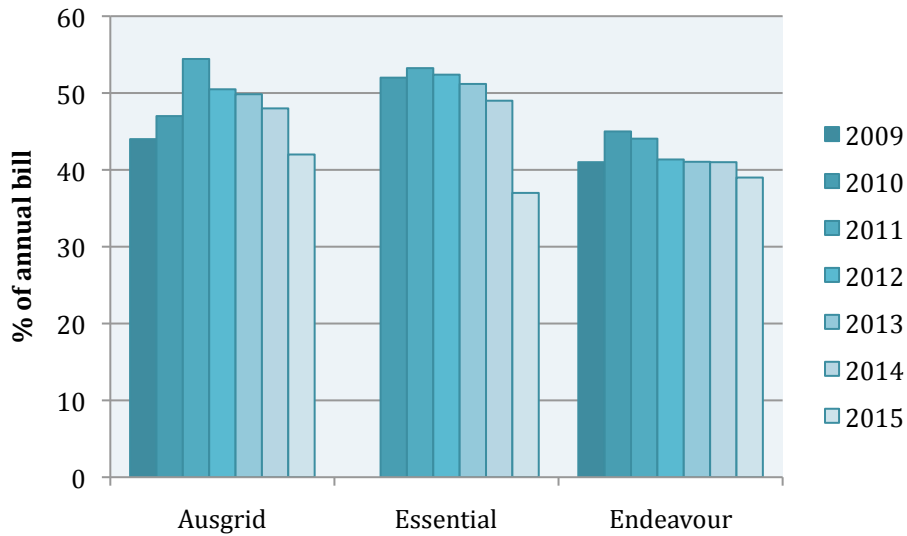
Chart 24 NUOS charges as annual cost to residential consumers from 2009* to 2015, all networks (based on single rate, 7,200kWh per annum, GST exclusive)⁴⁴



*Essential’s area includes NUOS charges from 2010 to 2015 only.

⁴⁴ 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 25 NUOS charges as proportion of annual bill from 2009* to 2015, all networks. Based on regulated offer (2009-2013) and average single rate standing offer (2014-2015), 7,200kWh per annum, incl. GST⁴⁵



*Essential's area includes NUOS charges from 2010 to 2015 only.

Charts 26-28 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 24-25 above.

⁴⁵ 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 2015), presented as annual bills for households using 7,200kWh per annum (single rate, incl. GST) across the three distribution areas.

Chart 26 Ausgrid: Retail bill per annum, NUOS charges and NUOS as proportion of total bill Based on regulated offer (2009-2013) and average single rate standing offer (2014 and 2015), 7,200kWh per annum, incl GST.

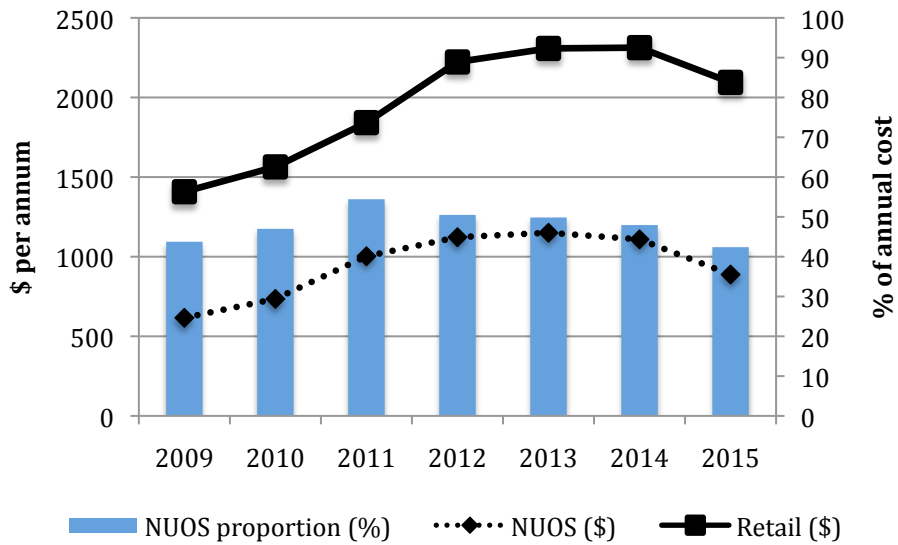


Chart 27 Endeavour Energy: Retail bill per annum, NUOS charges and NUOS as proportion of total bill Based on regulated offer (2009-2013) and average single rate standing offer (2014 and 2015), 7,200kWh per annum, incl. GST

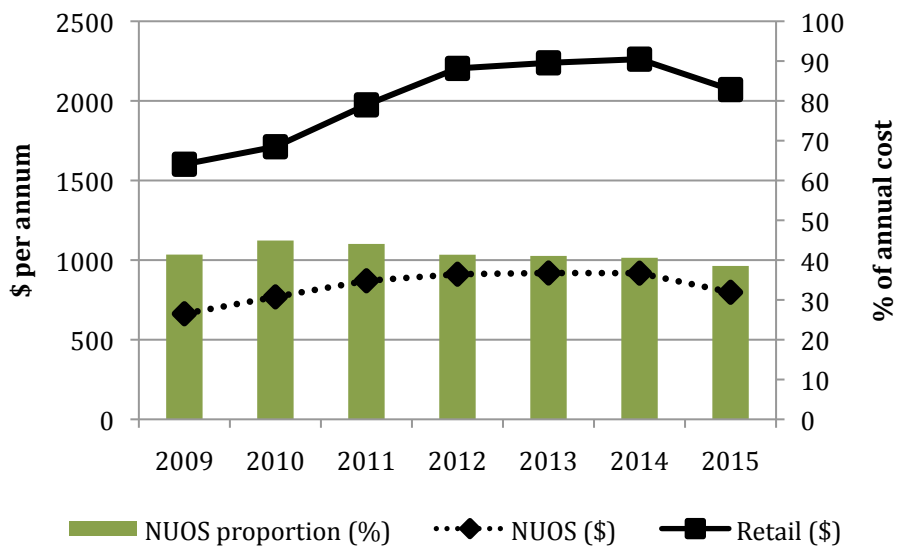
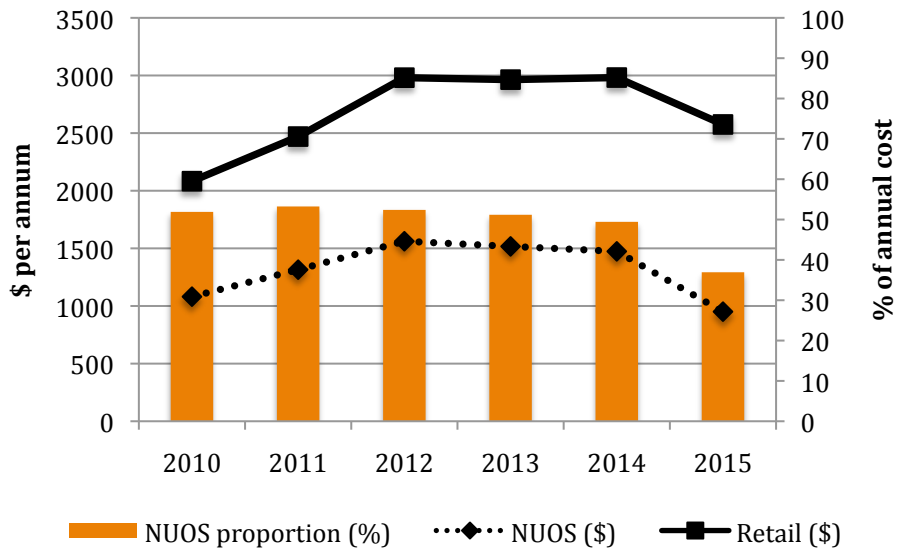


Chart 28 Essential Energy: Retail bill per annum, NUOS charges and NUOS as proportion of total bill Based on regulated offer (2010-2013) and average single rate standing offer (2014 and 2015), 7,200kWh per annum, incl. GST



5. Total cost of energy by area

The analysis presented in this report shows that while electricity prices have decreased this year, the decreases are larger in some areas than others. In relation to electricity, households in Essential's network area have seen the greatest electricity price decreases.⁴⁶ Gas prices, on the other hand, have decreased significantly in some areas and increased in others.⁴⁷ 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.⁴⁸ 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

⁴⁶ To calculate electricity price changes we have compared the average standing offer (across all retailers) as of July 2014 (carbon inclusive) to July 2015 (carbon exclusive).

⁴⁷ To calculate gas price changes we have compared the regulated offer as of July 2014 (carbon inclusive) to July 2015 (carbon exclusive) and assumed an annual consumption of 24,000Mj.

⁴⁸ 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

In this area, the average annual electricity standing offer bill is \$220 less in July 2015 compared to July 2014 (based on households consuming 7,200kWh/annum). Households in the Jemena/AGL gas zone have received a decrease in gas prices of approximately \$175 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 typically experience a decrease in annual *energy* costs of \$395 from July 2015.⁴⁹
- All-electric households in Sydney, Newcastle, Maitland, Singleton, Muswellbrook and the Upper Hunter will typically experience a decrease in annual *electricity* costs of \$190 from July 2015.⁵⁰

⁴⁹ These are households in Ausgrid's electricity distribution network and Jemena/AGL's gas zone.

⁵⁰ These are households on a two-rate (controlled load) tariff in Ausgrid's electricity distribution network.

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



Source: www.endeavourenergy.com.au

In this area, the average annual electricity standing offer bill is \$190 less in July 2015 compared to July 2014 (based on households consuming 7,200kWh/annum). Households in the Jemena/AGL gas zone have received a decrease in gas prices of approximately \$175 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 \$365 from July 2015.⁵¹

⁵¹ These are households in Endeavour Energy's electricity distribution network and Jemena/AGL's gas zone.

- As gas prices have remained stable in Nowra/Shoalhaven, dual fuel households in this area will typically experience a decrease in annual *energy* costs of \$190 from July 2015.⁵²
- All-electric households in Western Sydney, Wollongong, Blue Mountains, Lithgow, Kandos, Moss Vale, Nowra and Ulladulla will typically experience a decrease in annual *electricity* costs of \$190 from July 2015.⁵³

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 \$400 less in July 2015 compared to July 2014 (based on households consuming 7,200kWh/annum). For all-electric households (8,000kWh, 30% controlled off peak) the average electricity standing offer has decreased by \$370.

- Dual fuel households with an average consumption of electricity and gas in Bathurst, Orange, Dubbo and Parkes will typically experience a decrease in annual *energy* costs of \$575 from July 2015.⁵⁴

⁵² These are households in Endeavour Energy's electricity distribution network and ActewAGL's Shoalhaven gas zone.

⁵³ These are households on a two-rate (controlled load) tariff in Endeavour Energy's electricity distribution network.

⁵⁴ These are households in Essential Energy's electricity distribution network and Jemena/AGL's gas zone.

- Dual fuel households in Goulburn, Boorowa, Yass and will typically experience a decrease in annual *energy* costs of \$555 from July 2015.⁵⁵
- Dual fuel households in Queanbeyan and Bungendore will typically experience a decrease in annual *energy* costs of \$405 from July 2015.⁵⁶
- Dual fuel households in Temora, Tumut, Holbrook, Henty, Cualcairn, Walla Walla, Cooma, Bombala, Wagga Wagga and Uranquity will typically experience a decrease in annual *energy* costs of \$420 from July 2015.⁵⁷.
- As gas prices have remained stable in Tamworth, dual fuel households in this area will typically experience a decrease in annual *energy* costs of \$400 from July 2015.⁵⁸
- Dual fuel households in Albury, Jindera and Moama will typically experience a decrease in annual *energy* costs of \$365 from July 2015.⁵⁹
- Dual fuel households in the Murray Valley towns will typically experience a decrease in annual *energy* costs of \$360 from July 2015.⁶⁰
- All-electric households in Griffith, Bourke, Walgett, Narrabri, Moree, Glen Innes, Armidale, Taree, Coffs Harbour, Grafton and Lismore will typically experience a decrease in annual *electricity* costs of \$370 from July 2015.⁶¹

⁵⁵ These are households in Essential Energy's electricity distribution network and ActewAGL's Goulburn gas zone.

⁵⁶ These are households in Endeavour Energy's electricity distribution network and ActewAGL's Queanbeyan gas zone.

⁵⁷ These are households in Essential Energy's electricity distribution network and Origin Energy's Temora, Cooma and Wagga Wagga gas zones.

⁵⁸ These are households in Essential Energy's electricity distribution network and Origin's Tamworth gas zone.

⁵⁹ These are households in Essential Energy's electricity network and Origin's Albury gas zone.

⁶⁰ These are households in Essential Energy's electricity network and Origin's Murray Valley gas zone.

⁶¹ These are households on a two-rate (controlled load) tariff in Essential Energy's electricity distribution network.