

Media Release

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Community's shared focus on energy affordability will continue

Energy Consumers Australia this week warmly welcomed the shared focus on making electricity more affordable for households and small businesses, underlined by the meeting called by the Prime Minister with energy retailers.

Energy Consumers Australia CEO Rosemary Sinclair said there had been broad support for action by retailers from a variety of groups representing small consumers, including ACOSS, NSW Farmers, Queensland Consumers Association, and the Consumer Action Law Centre. St Vincent de Paul also released new data yesterday showing the huge gap between the best and worst deals on the market.

"The community now expects the specific commitments by energy retailers to be carried out immediately, but there is more that retailers must do to rebuild trust with consumers," Ms Sinclair said.

"We've seen what happens in sectors like banking, where businesses assume they can do the bare minimum required by law to support consumers – it ends in tears.

"Particularly with essential services like energy and water, businesses are given an implicit social license to operate. Retailers need to show they respect that social license and will do all in their power to respond to community expectations by helping consumers get the best deal available.

"The five-point agreement with energy retailers is a step in the right direction, but we will be watching very closely to make sure that the commitments are honoured in precisely the way consumers expect.

"Retailers are obliged to write to all their customers to outline cheaper plans and tariffs they could be moved on to, including long-term customers who haven't moved off more expensive tariffs for years.

"Consumers will not judge retailers' response by the letter of the five-point agreement, they will judge success by how much they save in their bill.

"We look forward to the meeting between retailers and the Prime Minister later this month to see how much progress has been made."

With the ACCC review into electricity prices underway, Ms Sinclair said she thought Rod Simms would be watching how retailers responded to this intervention by the Prime Minister.

"I would think the ACCC will be very interested to see how well retailers implement the commitments made this week – their approach is directly relevant to Rod Sims' review."

"Consumers look forward to seeing savings in their bills in the short term, as a result of outcomes from this week. Equally, we must be focused on getting the right outcomes from the Finkel review and the ACCC inquiry into electricity prices to underpin better long-term outcomes for consumers.

Ms Sinclair said there was a strong shared commitment across governments – Commonwealth, states and the territories – to energy affordability.

“The COAG Energy Council moved quickly to endorse key planks of the Finkel Blueprint, with the new Energy Security Board due to assess energy affordability in its inaugural Health of the NEM Report by the end of 2017.¹

“State and territory governments are also taking measures to improve competition and support consumers through this difficult time in the energy market.

Energy Consumers Australia’s submission to the ACCC review into electricity prices is available [here](#).

Energy Consumers Australia’s latest Energy Consumer Sentiment Survey is available [here](#).

Media Contact: Tim O’Halloran 0409 059 617

¹ See p 144 <http://www.environment.gov.au/system/files/resources/1d6b0464-6162-4223-ac08-3395a6b1c7fa/files/electricity-market-review-final-report.pdf>