

Hon Dan van Holst Pellekaan MP Minister for Energy and Mining

Monday 2 September 2019

Light at the end of tunnel for electricity consumers

The Marshall Liberal Government has welcomed an average 3 per cent fall in electricity prices for households and small businesses on market contracts during the past financial year detailed in ESCOSA's annual *Energy Retail Price Offers Comparison Report* released today.

"The \$62 fall in household electricity bills for South Australian households is in stark contrast to the \$477 increase the Labor Party delivered in its final two years in office," said Minister for Energy Dan van Holst Pellekaan.

"The first priority of the Marshall Government was to bring electricity prices down after they skyrocketed by 26 per cent during the last two years of the former Labor Government.

"The 3 per cent fall in household electricity prices for the 900,000 customers on market contracts follows falls of up to 12 per cent for customers on standing contracts after the introduction of the Default Market Offer on 1 July this year.*

"The 80,000 households and businesses on standing contracts in South Australia will save on average hundreds of dollars per annum as result of the introduction of the Default Market Offer.

"We know there is lot more work to do to bring electricity prices down but this is a very good start in the early stages of the Marshall Government.

"The Marshall Government has a suite of policies designed to further drive down electricity in the next few years.

"The \$1.5 billion SA-NSW interconnector, which has been declared critical infrastructure by the NSW Government will deliver an average \$66 saving for South Australian households, is an important component of our plans.

"Just last week the Marshall Government announced it would introduce 276MW of gas-fired generation into the market to increase competition and drive down electricity prices.

"Equally important is the Marshall Government's Home Battery Scheme which will reduce power costs for both the households that install the subsidized batteries and the rest of South Australian consumers.

"The Marshall Government's \$50 million Grid Scale Storage Fund and our Demand Management policies will also help drive down electricity prices in South Australia."

**The Default Market Offer came into effect on 1 July 2019 and consequently was not included in the ESCOSA analysis.*