



Media Release

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Energy prices and disconnections up in 2009-10

The Essential Services Commission's (ESC) Energy Retailer's Performance Report for 2009-10, released today, highlights rising energy prices and their impact on some of the most vulnerable consumers.

The report, which assesses the performance of energy retailers in Victoria against a range of measures, shows sharp price rises and an increase in the number of consumers being disconnected from supply.

Jo Benvenuti, Executive Officer of the Consumer Utilities Advocacy Centre (CUAC), said that the significant price increases for 2009-2010 put real financial pressure on Victorian families and businesses. An analysis of market offers by the ESC shows that electricity prices increased by 13.5 per cent in 2009-10 with gas prices increasing by 7 per cent over the same period.

"Victorian consumers already know that their energy costs have been rising, but this report shows just how big the price increases have been. These higher prices are almost certainly responsible for the worrying increase in disconnections over the same period," said Jo Benvenuti.

13,486 electricity customers were disconnected in 2009-10, an increase of 3,918 or 40 per cent from 2008-09. 15 473 gas customers were disconnected. This was up by 5,396 or 54 per cent on 2008-09 figures. Some retailers reported increases in the number of customers who were disconnected and were either; disconnected more than once in the past two years, concession card holders, or had previously been on a budget instalment plan.

"Energy is an essential service, and consumers should not be disconnected solely due to an inability to pay. Retailers must do their absolute utmost to support consumers to stay on supply."

"It is vital that the regulator carries out its promise to audit retailer compliance with their hardship and disconnection obligations to prevent anyone being wrongfully disconnected."

“The disconnection results also send a strong signal to the new state government of the seriousness of utility debt crisis facing many Victorians. CUAC welcomes the coalition government’s commitment to extend the winter energy concession to all year round to assist concession card holders with these bills. This should be introduced as a matter of priority.”

For more information call Jo Benvenuti, Executive Officer, CUAC on 03 9639 7600

About CUAC

CUAC was established in 2002 to ensure the interests of Victorian consumers are effectively represented in the policy and regulatory debate on electricity, gas and water.

CUAC's corporate objectives are:

- to provide a voice for Victorian utility consumers in the regulatory debate
- to increase the capacity of consumers and consumer advocates to influence the regulatory debate, particularly on issues affecting low income, disadvantaged and rural consumers
- to research and to fund research into consumer utility issues, with a particular focus on low income, disadvantaged and rural consumers, and to disseminate that knowledge as widely as possible
- to monitor consumer utility issues, particularly those affecting low income, disadvantaged and rural consumers.