

Media Release

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NSW electricity and gas customers can save by switching energy plans

IPART has released draft reports suggesting that NSW electricity and gas customers are paying too much when they stay long-term with their supplier's standard offer.

"A typical customer could save around \$200-\$300 a year for electricity and \$213 a year for gas by moving from their retailer's default or standing offer, to a better plan," said IPART Tribunal Member Ms Sandra Gamble.

The draft reports on the performance and competitiveness of the retail electricity and gas markets in NSW in 2019-20 suggest customers seek out a better deal using Government run websites like EnergyMadeEasy and Energy Switch. This year IPART's review also assessed the impact of COVID-19 on the retail energy markets.

"COVID-19 is likely to impact the retail energy market over the coming year. Retailers are likely to take on more debt as customers with reduced income could have difficulty paying their bills.

"Many customers will also be using energy differently as a result of the changes from COVID-19 restrictions, such as work from home arrangements, which may result in higher than expected bills," said Ms Gamble.

Customers should get in touch with their retailer if they are in financial hardship.

The draft reports found several indicators show that competition and performance has continued to develop in the retail electricity and gas markets.

"We have seen more retailers enter these markets and take market share away from the three largest retailers," said Ms Gamble.

Also energy consumers have reported increased levels of satisfaction and the number of complaints to the Energy Ombudsman has fallen during 2019-20, indicating better service to customers.

"While there have been positive trends in the development of the retail energy markets, advances in technology and increasing digitisation of

services mean that the retail markets can continue to develop to deliver better outcomes for all energy consumers,” Ms Gamble said. “In future, reviews of the retail market performance will incorporate an assessment of the development and roll-out of innovative products.

Ms Gamble said that there are reviews underway looking to improve the future design of the electricity market for consumers, including how consumers interact with the market and how information is provided to consumers.

IPART is taking submissions on its draft reports on the performance of the gas and electricity markets.

The reports are available on the IPART website, and submissions can be made until Tuesday 27 October 2020. IPART will provide a final report to the NSW Minister for Energy and Environment by 30 November 2020.

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