

Media Release

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NSW electricity and gas customers can save by switching energy plans

IPART has released its draft report finding that customers that remain on 'standing' offers are paying too much when they stay with their retailers' standard offer.

"A typical customer could save more than \$300 a year for electricity and \$350 for gas by moving from their retailers' standing offer to a better plan," said IPART Tribunal member Ms Sandra Gamble.

"Customers should compare offers on the government run EnergyMadeEasy website to get a better deal."

IPART's draft report on the performance and competitiveness of the retail energy market in NSW in 2020-21 found that COVID-19 lockdown restrictions have meant that residential customers staying at home are using more energy so bills have increased. However, it also found that the underlying retail electricity prices have fallen to their lowest levels since 2015-16. The latest price reductions have been brought about by falling wholesale prices with the influx of rooftop solar systems.

"Over the past few years, solar has benefitted all customers by bringing down prices in the market," Ms Gamble said.

"Solar is also driving innovation in the market. In the same way that data and smart phones has changed how telecommunications services are offered to customers, retailers are providing new bundling and pricing structures for solar and batteries as the costs of these technologies fall" Ms Gamble said.

These new opportunities are leading to increased entry in the market IPART found that 16 new retailers entered the electricity retail market over the last 2 years, bringing the total number of retailers to 40.

Ms Gamble said that as competition increases, products and services should continue to improve to deliver better outcomes for consumers. In 2020-21, energy consumers reported increased levels of satisfaction and the number of complaints to the Energy Ombudsman has fallen.

IPART is taking submissions on its draft report until 5 November 2021. IPART will provide a final report to the NSW Minister for Energy and Environment by 30 November 2021.

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