

## HOUSEHOLDS ARE TRYING TO CUT ELECTRICITY AND WATER USAGE

**20 September 2016**

NSW households are actively trying to reduce their electricity and water consumption, with around three-quarters of households saying they had tried to use less electricity and water over the previous five years. Around one third had tried to reduce their gas consumption.

The findings are from the latest NSW Household Survey<sup>[1]</sup> undertaken by IPART. This is the seventh household survey commissioned by IPART since 1993.

It is one of the most comprehensive surveys of its kind which combines qualitative interviews with over 4,000 households and quantitative analysis of their electricity, gas and water usage and costs. The survey included samples from Sydney, the Hunter, Gosford, the Riverina and the North Coast.

Around 80% of households said their main reason for trying to use less energy was to save money. On the other hand, the primary motivations for trying to use less water were concern for the environment and water restrictions. Only around a third said their main reason was to save money on their water bills.

IPART Chairman Dr Peter Boxall said the survey had also found that income is not the only indicator of whether or not a household is likely to have payment difficulties.

“The likelihood of having difficulty paying a utility bill appears to depend largely on a combination of low income, large household size (three or more people), high usage and/or high accommodation costs (renting or buying home),” he said.

Other key findings include:

### OVERALL

- Of the households that had felt unable to pay bills, around half approached their electricity or gas supplier, and around one-third approached their water supplier. Most of these households said their supplier had helped by allowing the bill to be paid off in instalments and/or extending the bill's due date. In a few instances, the supplier had referred the household to an emergency relief agency or a financial counsellor.
- There is greater awareness of NSW Government funded Energy Accounts Payment Assistance (EAPA) vouchers to help with gas or electricity bills, than Payment Assistance Scheme (PAS) vouchers to help with water bills. About 5% of households had used EAPA vouchers and 2% had used PAS vouchers in the past three years.
- The overall rate of disconnections was low: only around 1% of all households said they had experienced a disconnection or a water flow restriction in the previous three years.

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[1] IPART 2015 Household survey of electricity, gas and water usage, available [here](#)

## ENERGY

- About half of NSW households use both electricity and gas (44% mains gas; 7% cylinder gas). Gas is used for cooking, heating or hot water.
- Looking solely at grid electricity and mains gas<sup>1</sup>, households in the Riverina tend to use the most energy while those in the North Coast use the least (excluding energy from alternative sources). On average, high income households used almost twice as much energy as low income households. But there was a wide range of usage within all income groups.
- Around a quarter of households have solar panels and/or hot water, with more households planning on installing solar.
- Households in the North Coast were the most likely to have used solar panels and/or solar hot water, and households in Eastern Sydney were the least likely.
- Among households with panels, between 40% and 60% said they received a subsidised feed-in tariff under the NSW Solar Bonus Scheme.
- Most households with panels said they liked having them and would install a similar size or larger unit if they were to do so again.

## WATER

- On average, households in Sydney use more mains<sup>2</sup> water than households in the Hunter or Gosford. Households in Western Sydney had the highest average usage (188 kL pa), while those in Gosford had the lowest (141 kL pa).
- Water restrictions appear to have a long-term impact on water consumption. Stringent water restrictions in Gosford in the 2000s seem to have made Gosford households more likely to install water-efficient amenities, use alternative sources of water and use water sparingly. Sydney had water restrictions during the same period but they were not as strict as Gosford's, while the Hunter did not have any water restrictions.
- Household size is the major determinant of water consumption, and therefore water bills. Household income levels have some impact but there is a wide range of usage across different income levels.

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<sup>1</sup> The high penetration of solar PV and hot water (23% of households in total) means total energy consumed from all sources can no longer be measured meaningfully. Reductions in households' electricity purchases do not necessarily mean they are using less energy, as they may be sourcing at least some of it from alternate, off-grid sources.

<sup>2</sup> Mains water is water purchased from a water utility from mains (pipelines) on the street. Some households also use other sources of water, eg, from rainwater tanks or on-site boreholes.

- Most NSW residents would prefer voluntarily conserving water in the home or compulsory water restrictions in times of drought, rather than paying more for their water. Only a quarter were in favour of paying more, whereas almost 80% were happy with mandatory water restrictions.

A full copy of IPART's Household Survey is available at [ipart.nsw.gov.au](http://ipart.nsw.gov.au).

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