

NATIONAL ANALYSIS OF SMALL BUSINESS RETAIL ENERGY BILLS

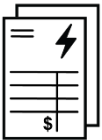
FINDINGS FROM ENERGY CONSUMERS AUSTRALIA'S DECEMBER 2022 SME TARIFF TRACKING REPORT



Nationally, average annual **electricity** bills for SMEs consuming 20,000 kWh per annum **increased by 19%** (\$1,120) between October 2021 and October 2022.

Average annual **gas** bills **increased by 21%** (\$610) between October 2021 and October 2022 for SMEs consuming 100 GJ per annum.

ELECTRICITY BILLS



Bills increased in all jurisdictions. NSW had the greatest annual increases in bills (\$2,375 or 42%) while businesses in WA have the lowest increase (\$165 or 3%).

SMEs in SA have the highest annual bills (\$8,595) while VIC businesses have the lowest (\$5,860).

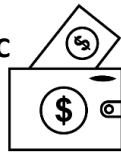


CHART 2 | Trend estimated average annual electricity bills for SMEs using 20,000 kWh (single rate) per annum in each jurisdiction since April 2016. GST inclusive.²³

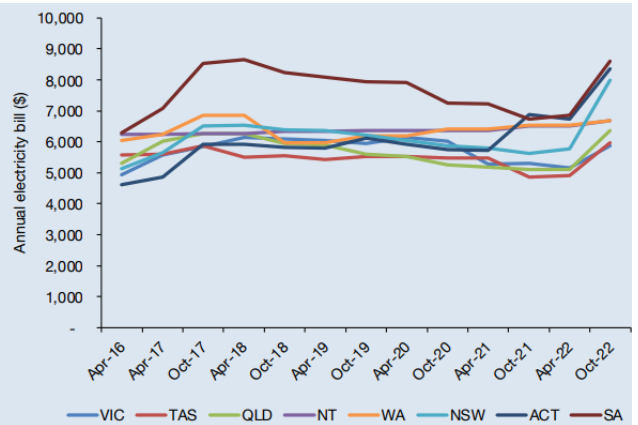
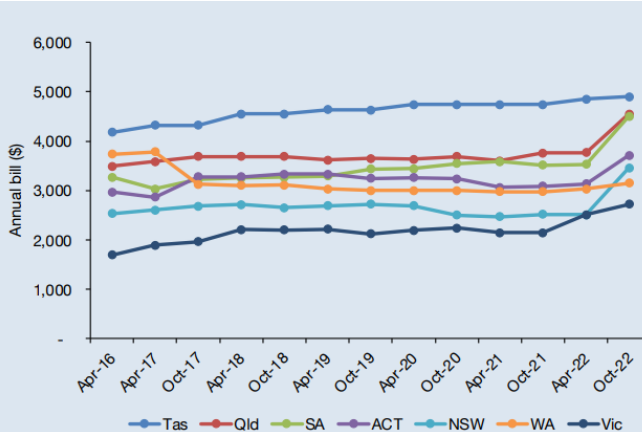


CHART 17 | Estimated average annual gas bills for SMEs using 100 GJ per annum in each jurisdiction since April 2016. GST inclusive.⁴³



GAS BILLS

Gas bills have also **increased in all jurisdictions** compared to a year ago. The **greatest increases to average bills have been in SA** (\$985 or 28%), while the **lowest increase is in TAS** (\$160 or 3%).

TAS businesses continue to **have the greatest annual gas bills** (\$4,900) and **VIC** businesses have the **lowest** (\$2,720).

NOTE – UNDERSTANDING THESE FINDINGS

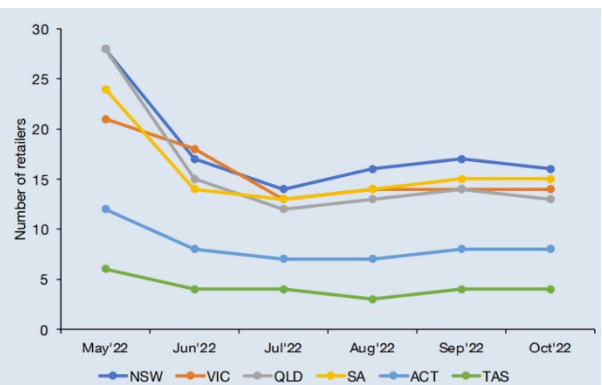
These findings should be interpreted with care. The report covers a period of significant wholesale price volatility and increases. This, and the subsequent retail market response, has implications for the analysis.

For example, many smaller retailers with historically low prices became among the most expensive, and there was a rapid decrease in the number of retailers in the market.

In eastern mainland Australia, electricity market offers are now clustered around the DMO or VDO, with a few very high-priced outliers (which inflates average bill calculations).

The maximum price-spread has also increased substantially due to the emergence of these high-priced outliers, and so can't be interpreted as an indication of healthy competition as traditionally done so (as typically the outliers were on the lower end of the spectrum).

CHART A.1 | Number of electricity retailers with published market offers for SME customers from May to October 2022



(While these outcomes are more pronounced in the electricity retail market, similar issues have impacted the gas retail market in NSW, SE QLD and the ACT).