

Media Release

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Timely news with national program to drive down bills

Energy and Climate Change Ministers today resolved to explore a national energy literacy program designed to address knowledge gaps and provide consumers with messaging that empowers them to further reduce their energy costs now and over the longer term.

Energy Consumers Australia CEO Lynne Gallagher said the program could play a valuable role in shielding households and small businesses from price rises.

“With retail energy prices rising, and likely to stay high, action is required now to shield consumers from bill shock,” Ms Gallagher said. “The biggest impact we can have in the short term is to empower consumers to take control of their energy use to drive down bills.”

“This consumer focussed program to be explored by Energy Consumers Australia will also have long term benefits. In sectors like water, similar campaigns have reduced use and bills by as much as 30 per cent, and those benefits remained beyond the campaign.

“So, this is critical work, helping households and small businesses manage their energy use, while still meeting their needs, living comfortably and running their businesses profitably.

“This campaign will work in concert with the National Energy Performance Strategy to drive demand-side action that helps deliver a least-cost path through Australia’s energy transformation.”

Ms Gallagher also welcomed further progress on longer-term reform to protect consumers from the risks of gold plating – or over-investing in – in the transmission network, and to make greater effective use of this capacity, interconnectors and new storage investment.

“There is a lot of investment going into transmission, new generation and storage at the moment, which is necessary to secure supply with planned exit of emissions intensive generators, but we need to remember all of this investment ends up on consumers’ bills.

“Today’s progress with transmission access reform and the orderly exit management framework will help ensure sufficient generation is there to replace emissions intensive generators, while protecting consumers from potential gold plating of the electricity grid.

“These reforms are urgent, with enhanced information to be implemented immediately and the final detailed design of the transmission access reforms to be agreed by mid-2023. This means that new investment can be made within this framework.

“The benefits of these reforms will take some time to show up on people’s bills, so we need to do everything possible to insulate households and small businesses from expected price rises.”

The meeting coincided with unwelcome news for consumers as the AER’s determination on the Rate of Return was released, which determines how much compensation network companies can receive on the money they have invested in poles and wires.

Ms Gallagher said this was a significant driver of future costs, with the rate of return impacting around 25% of retail electricity and gas prices.

“We recognise that the main factor driving the increase in the rate of return is largely driven by global inflation and interest rate rises, but this doesn’t make it any easier for households and small businesses.

“It should add further urgency to our efforts to drive down bills, both by tackling prices, but perhaps more importantly empowering consumers to manage their energy costs.”

The communique from the National Cabinet is available [here](#).

About Energy Consumers Australia

Energy Consumers Australia is the independent, national voice for residential and small business energy consumers. We enable residential and small business energy consumers to have their voices heard.

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