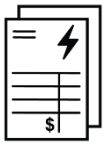
NATIONAL ANALYSIS OF SMALL BUSINESS RETAIL ENERGY BILLS

FINDINGS FROM ENERGY CONSUMERS AUSTRALIA'S JUNE 2022 TARIFF TRACKING REPORT

Nationally, average annual **electricity** bills for SMEs consuming 20,000 kWh per annum **increased by approximately $15** between April 2021 and April 2022.

Average annual **gas** bills **increased by 4%** between April 2021 and April 2022 for SMEs consuming 100 GJ per annum.

ELECTRICITY BILLS



Businesses in **SA have the highest annual bills** ($6,855) while **Tasmanian businesses have the lowest** ($4,910)

Tasmania recorded the greatest annual decrease in bills ($560) while businesses in the **ACT have experienced significant increases** ($1,010)

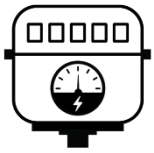
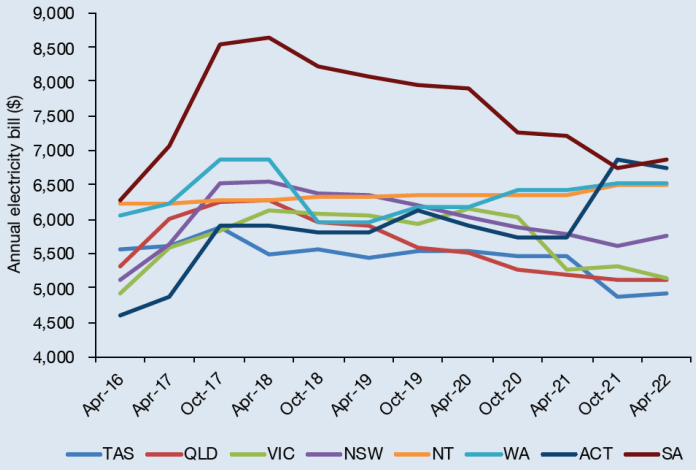


CHART 2 | Trend estimated average annual electricity bills for SMEs using 20,000 kWh (single rate) per annum in each jurisdiction since April 2016. GST inclusive.[24]



RISING ELECTRICITY BILLS

Both NSW and QLD have experienced volatile wholesale markets recently. This has been reflected in a higher DMO/VDO which will take effect on 1 July 2022.

Our June Tariff Tracker **collects data in April** and therefore some of the **most recent changes may not be captured** in this report.

Our **December 2022 report** may shed more light on the impacts of recent changes such as increases to the DMO and VDO.

IMPACT OF REGULATED OFFERS

The initial **Default Market Offers** (DMOs) in NSW, SA and SEQ took effect on 1 July 2019. In Victoria, the **Victorian Default Offer** (VDO) also took effect on 1 July 2019.

The current DMO/VDO is lower in each jurisdiction than standing offers prior to 2019 by:

- **NSW – 14%**
- **SEQ – 17%**
- **SA – 19%**
- **Victoria – 33%**

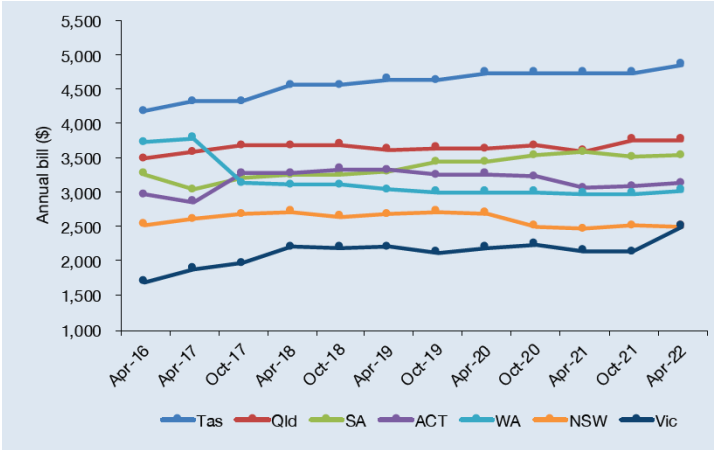
NETWORK USE OF SYSTEM CHARGES

NUOS charges increased by 42% in the ACT compared with the same period last year. This is largely driven by the **ACT Government's legislation to supply 100% renewable energy**.

For this reason we are seeing **large increases in the overall bill in the ACT.**

GAS BILLS RISING

Tasmanian businesses continue to have the greatest annual gas bills ($4,850) and **Victorian businesses have the lowest** ($2,505)

Gas bills **increased in all jurisdictions** except South Australia. This **increase was significantly larger in Victoria** where the average bill increased by **$360** (16.7%) compared to a year ago.

There are a number of possible reasons for this including **rising wholesale costs** and a **tightening balance between supply and demand**.