

TALK IS CHEAP, ELECTRICITY COSTLY

More talk is doing nothing to reduce the rising costs of electricity in Australia. Cosy meetings in August between Federal ministers and industry CEOs led to promises of more information for users, who are already flooded by fine print of many contracts which end inevitably in higher prices.

Deregulation of the industry has failed to deliver lower costs as promised years ago, creating instead higher prices and a tangled web of "plans" in a complex industry.

Prime Minister Malcolm Turnbull's delaying tactics were widely seen as an attempt to get on top of hot political issues (see below). New power stations as proposed would take many years to build and to reduce prices.

Some critics have called for a return to regulation by government, after increased competition led only to higher prices (when user contracts end), and to bigger executive bonuses.

A simple comparison of consumer options is at <https://www.energymadeeasy.gov.au/>

By Don Pagé

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Other news:

<http://www.news.com.au/finance/money/costs/the-real-reasons-why-our-power-prices-are-going-up/news-story/c61b12ecd56001bfbcd2b9f45c581d7b>

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CHEAP GAS EXPORTS COSTING US ALL

Opposition Leader Bill Shorten said Australians faced a gas and electricity price crisis while Prime Minister Turnbull took a "joyride" in a helicopter to the Snowy Hydro power station.

"What we need to do is make sure that the gas being produced in Australia is not being exported overseas at cheaper prices than Australian industry is able to pay," Mr Shorten said.

"The government has passed a regulation which says that if there is insufficient gas for domestic supply, then they can introduce export controls.

"The problem is that they haven't pulled the trigger to do this."



Mr Turnbull was touring the Snowy Mountains in a helicopter (photo), unwisely reminiscent of his former high-flying colleague Bronwyn Bishop.

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PM seeks to regain the political initiative

Based on article in The Australian, August 28, 2017, by Simon Benson

Electricity-industry chiefs met to talk with Prime Minister Malcolm Turnbull for the second time in three weeks, after revelations that more than a million households are still paying the highest price rates imposed by energy retailers.

With the government seeking to regain the political initiative by reviving the cost-of-living as an issue, the Prime Minister pressed the eight biggest electricity retailers to offer cheaper pricing deals for more people.

An audit by the Australian Competition & Consumer Commission was provided to the government, estimating that roughly one million households, or more than 10 per cent, were locked into the highest rates, which were often up to 27 per cent more than cheaper plans.

Energy companies promised to contract "all customers who are on expired discounts and telling them how much they can save on a better deal, but more can still be done," the Prime Minister said.

In an attempt to reset the agenda from current political crises, Mr Turnbull flew to the Snowy Hydro Scheme to announce the fast-tracking of a \$29 million to expand it. The scheme, announced in March, was to create about 4,500 jobs -- eventually.

The government is expected to be handed a report by the Australian Energy Market Operator next week on future base-load power requirements in response to the Finkel report.

Retailers had agreed three weeks ago, when they were first dragged to Canberra to justify price increases in July of up to 20 per cent, to a number of reforms, including rules requiring them to report to the ACCC the number of households that remained on expired retail deals. Retailers agreed to contact customers on expired discounts and offer cheaper deals, and to provide comparison rates.

The companies included Energy Australia, Origin Energy, AGL, Snowy Hydro, Momentum Energy, Alinta Energy, Simply Energy and Australian Energy Council.

Gas companies were yet to learn the level of export restrictions the Turnbull government will apply to address the shortage of domestic supply, largely due to state bans on tapping into large on-shore gas reserves.

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Turnbull government ignoring 'easiest' option

Based on an article in The Sydney Morning Herald, 28 August 2017, by James Massola.

Electricity generators have rebuked the Turnbull government for delaying the introduction of a clean-energy target, arguing that it would trigger new investment and bring down power bills – years down the track.

Prime Minister Turnbull met the bosses of some of Australia's biggest power companies in Sydney on Wednesday for a second round of discussions about sky-rocketing power prices. At an earlier meeting in August, a deal was struck for millions of Australians to be notified when their discount electricity plans expire, which could save households more than \$1000 a year, as well as some other consumer protection measures.

Companies attending the next meeting include Energy Australia, Momentum Energy, Simply Energy, Alinta Energy, Origin Energy, AGL, Australian Energy Council and Snowy Hydro. Ahead of the meeting, AEC's chief executive Matthew Warren - speaking for Australia's 21 major electricity and gas generators - again promoted a clean-energy target was the most effective way to bring down power prices -- eventually.

The Turnbull government has agreed to adopt 49 of the 50 recommendations of the [Finkel review of the electricity sector](#) - but not the clean-energy target.

A backbench revolt over the proposed target, just days after the release of the Finkel review, has seen the government push back implementation.

The government is also awaiting a report by the Australian Energy Market Operator.

Speaking in Cooma at the announcement of an extra \$8 million federal contribution to a feasibility study into Snowy Hydro 2.0, Mr Turnbull said that his government was working through the Finkel recommendations.

"Having a renewable energy target ... by itself is not going to ensure we have the baseload power we need in the years ahead. There is quite a lot of complexity in this. The one thing we do know is we need a lot more storage," he said – eventually.