



Media Statement

Thursday, 26 March 2020

Household electricity cut-offs continue to rise

Residential electricity disconnections increased for the sixth year in a row in 2018/19, with Western Australia having the highest reported disconnections rate in the country.

The Economic Regulation Authority has published its <u>annual data reports</u> covering the distribution and sale of electricity and gas in Western Australia.

The reports include data on financial hardship, disconnections and reconnections, market size and share, supply reliability, complaints resolution, call centre performance and streetlight repairs.

ERA Chair Nicky Cusworth said that electricity retailers were assisting growing numbers of customers struggling to pay their bills, continuing a trend evident over the past four years.

"In 2018/19, 13.4 percent of residential electricity customers were granted more time to pay their bills, and 6.7 per cent were paying off accumulated debt under instalment plans – both of which were the highest numbers seen in the past six years," Ms Cusworth said.

"The ERA started collecting new hardship data in 2016/17, and since then the percentage of electricity customers on a hardship program has risen from 2.2 per cent to 3.4 per cent.

"In positive news, the hardship programs that retailers have put in place to help customers appear to be working, with 88 per cent of electricity customers successfully completing their program in 2018/19."

Residential electricity disconnections increased for the sixth successive year, to reach 2 per cent of customers in 2018/19. This was the highest disconnection rate among the comparable states of New South Wales (0.99 per cent), South Australia, (1.32 per cent) and Victoria (0.89 per cent).

The reliability of Western Australia's electricity networks improved, with the number of Western Power customers affected by extended interruptions the lowest in the six years to 2018/19.

"Horizon Power also met the outage duration standards for rural premises for the first time in the six years to 2018/19," Ms Cusworth said.

In the gas sector, the recent entry of new licensed gas retailers continues to increase competition, with Alinta Energy's share of the residential gas market dropping from 96 per cent to 63.2 per cent in just six years.

Ms Cusworth said that the structure of the market appeared to be changing, with growth in customer numbers slowing at the same time that competition was increasing.

There is a trend decline in the number of business gas customers over the past three years with a total decrease of 5.8 per cent over this period," she said.

The reports can be accessed at <u>www.erawa.com.au/energyreports</u>.

About the ERA

The ERA is Western Australia's independent economic regulator. We aim to ensure the delivery of water, electricity, gas and rail services in Western Australia is in the long-term interest of consumers. The ERA also undertakes inquiries, which provide recommendations to government on economic issues that are likely to have significant implications for the people and businesses of Western Australia.

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