



## MEDIA RELEASE- 6th June 2017

### No Queensland jobs bonanza due to yet another hike in power bills

Coordinator of the Queensland Electricity Users Network Jennifer Brownie said it's hard to imagine a jobs bonanza in Queensland when businesses are being forced to close or reduce staff due to yet another hike in power bills.

Last week the Queensland Government authorised its 100 percent Queensland Government owned retailer Ergon Energy to increase power bills by 4.1 percent for businesses and 3.3 percent for households from 1<sup>st</sup> July 2017.

"Already official statistics from the Australian Energy Regulator show a 73 percent jump in Queensland small businesses disconnected due to the non-payment of power bills between December 2016 and March 2017. For residential customers it's a 55 percent jump in disconnections in just three months."

"As businesses approach the end of the financial year many will be asking their accountants what action they need to take to ensure they can pay their power bills. Rather than employ more staff, many businesses will be looking to sack or reduce staff hours and work longer hours themselves. This is not the jobs bonanza being put forward by the Queensland Government."

Ms Brownie said the jobs bonanza could be a reality if the Queensland Government committed to reducing wholesale electricity prices from its 100 percent Queensland Government owned generators. The Queensland Government owns 65 percent of the generation capacity in Queensland.

The Queensland Premier stated yesterday "We have used our public ownership of electricity assets to bring more supply into the market to reduce volatility and **put downward pressure on wholesale prices.**"

Ms Brownie said statistics by the Australian Energy Market Operator, the entity responsible for managing the National Electricity Market, show a steep upward trend in wholesale electricity prices since 2015.

In 2015 the average Queensland wholesale electricity price was \$52.52 per megawatt hour (MWh). The average so far in 2017 is \$94.48 per MWh. **Please refer to the graph on the second page.**

"I fail to see how the Queensland Government has put downward pressure on wholesale prices when the statistics show Queensland's wholesale electricity price has nearly doubled since 2015," Ms Brownie said.

"During the peak summer demand period of January and February 2017, Queensland had the highest average weekly wholesale electricity prices in the National Electricity Market in 5 out of 6 weeks."

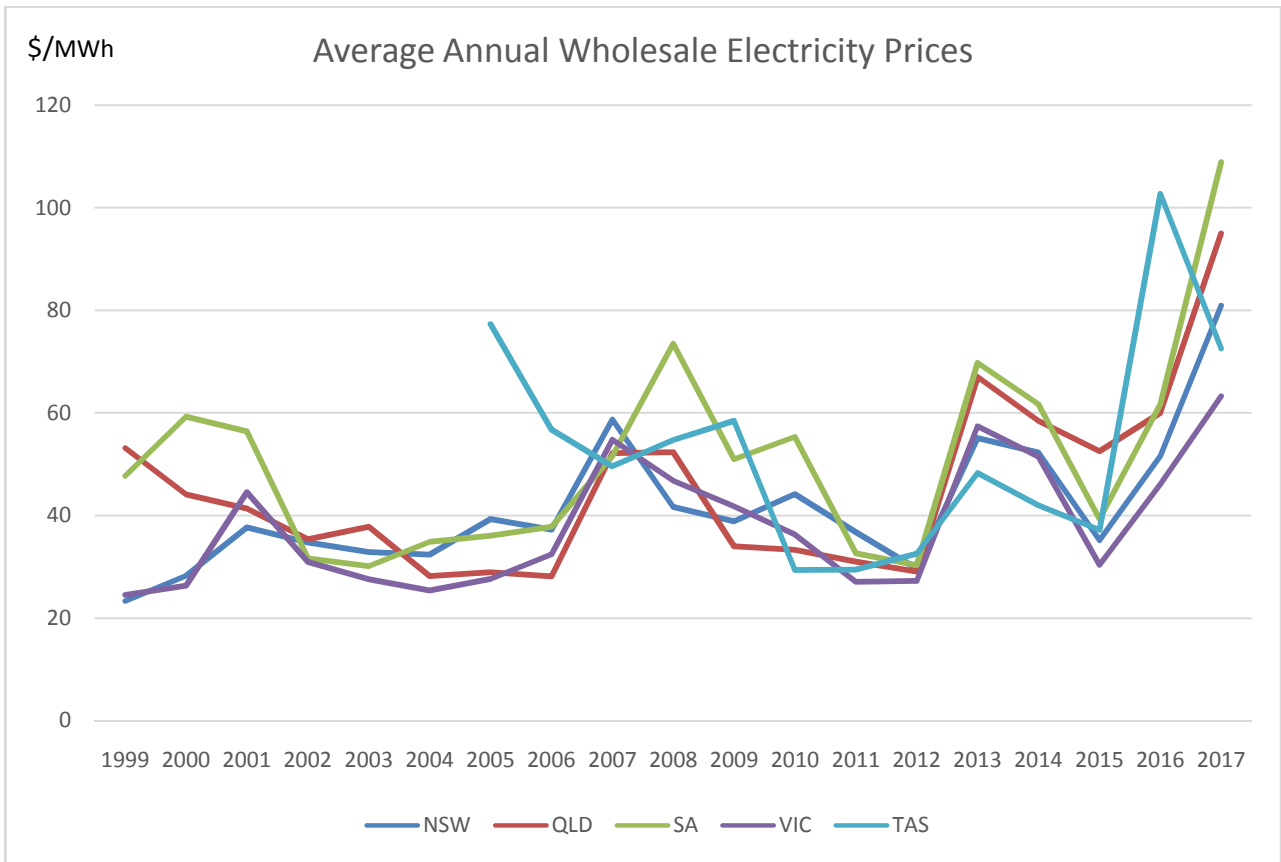
At present Queensland has the second highest average wholesale electricity price in the National Electricity Market after South Australia.

"Imagine the jobs bonanza if Queensland had the lowest wholesale electricity price in Australia. We need the Queensland Government to commit to a 2017-18 wholesale electricity price which is less than the \$52 per MWh average in 2015. "

Wholesale electricity prices account for around 25 percent of a power bill.

**Please refer to the next page for a graph of the average *annual* wholesale electricity prices in the National Electricity Market.**

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Source: Compiled from Australian Energy Market Operator statistics