



South Australian Energy Prices July 2024

An update report on the South Australian
Tariff-Tracking Project



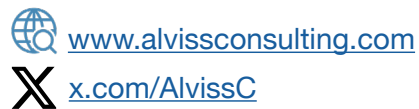
St Vincent de Paul Society

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South Australian Energy Prices July 2024
An Update report on the South Australian Tariff-Tracking Project

May Mauseth Johnston, October 2024
Alviss Consulting Pty Ltd



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Disclaimer

The energy offers, tariffs and bill calculations presented in this report and associated workbooks should be used as a general guide only and should not be relied upon. The workbooks are not an appropriate substitute for obtaining an offer from an energy retailer. The information presented in this report and the workbooks is not provided as financial advice. While we have taken great care to ensure accuracy of the information provided in this report and the workbooks, they are suitable for use only as a research and advocacy tool. We do not accept any legal responsibility for errors or inaccuracies. The St Vincent de Paul Society and Alviss Consulting Pty Ltd do not accept liability for any action taken based on the information provided in this report or the associated workbooks or for any loss, economic or otherwise, suffered as a result of reliance on the information presented. If you would like to obtain information about energy offers available to you as a customer, go to Australian Energy Regulator's "[Energy Made Easy](#)" website or contact the energy retailers directly.

Acknowledgements

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The views expressed in this document do not necessarily reflect the views of Energy Consumers Australia.

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The SA Tariff-Tracking Project: Purpose and outputs

This project has tracked electricity and gas tariffs in South Australia from July 2009 to July 2024 and developed a spreadsheet-based tool that allows consumer advocates to build on the initial analysis and continue to track changes as they occur. The first report for the SA Tariff-Tracking project was published in August 2012 and this up-date report focuses on price changes that have occurred over the last year.

We have developed workbooks that allow the user to enter consumption levels and analyse household bills for regulated/standard gas and electricity offers from July 2009 to July 2024, as well as published electricity and gas market offers from July 2012 to July 2024.¹ A more recent addition to the Tariff-Tracking project is market offers available to new solar customers. The workbook allows users to calculate annual bills based on retailers' rates, feed in tariffs offered and additional discounts. Again, the user can enter consumption level as well as choosing to run the bill calculation based on 1.5 kW or 3 kW solar systems.

Workbook 1: Electricity standing offers July 2009-July 2024

Workbook 2: Gas standing offers July 2009-July 2024

Workbook 3: Electricity market offers post July 2012-July 2024²

Workbook 4: Gas market offers post July 2012-July 2024

Workbook 5: Solar market offers post July 2016-July 2024

The jurisdictional update reports will be followed by a NEM comparison report that discusses market issues and customer impacts in more detail as well as making recommendations.

All workbooks and reports can be accessed at the St Vincent de Paul Society's website: www.vinnies.org.au/energy

1. All market offers are published offers and do not include special offers that retailers market through door-knocking campaigns or brokers. We use the retailers' own websites to collect market offer for the Tariff-Tracking tool. If the retailer has more than one market offer we use the offer that produces the lowest annual bill and/or the offer the retailer promotes as it's best offer.

2. This workbook also contains electricity market offers that took effect upon the deregulation of the retail market in February 2013.

Key findings

In terms of general trends, the South Australian tariff analysis found that:³

- ▲ The Default Market Offer (DMO) electricity bill **decreased by approximately 2%** for both single rate and -0.5% for controlled load on 1 July 2024.⁴ **See charts 1 and 2 in section 1 below.**
- ▲ DMO customers with a typical consumption level (6,000kWh/annum) will have **an annual electricity bill of approximately \$3,130.**⁵
- ▲ For **gas**, Origin Energy's standard contract offers have **increased by 10%** since last year (July 2023). **See chart 3 in section 1.**
- ▲ Standard contract customers with a typical consumption level (21,000Mj/annum) will have **an annual gas bill of approximately \$1,575.**⁶ **See chart 3 in section 1.**
- ▲ **The average annual bill for electricity market offer customers consuming 6,000kWh per annum is currently around \$2,920. That is \$40 less than last year, a decrease of -1%.⁷ See section 2.1.**
- ▲ **The difference between the best and the worst electricity market offer is approximately \$575 per annum.**⁸ The difference, or the price spread, is thus much lower than last year when it was \$1,220. **See chart 5 in section 2.1.**
- ▲ For average consumption households (6,000kWh/annum for single rate), **the worst electricity DMO/standard contract offer is \$635 per annum more than the best published market offer.** Households currently on AGL's DMO can save \$550 if switching to the best market offer. **See chart 5 in section 2.1.**
- ▲ In regards to households with **controlled off-peak load, typical consumption households (7,500kWh per annum) currently on AGL's DMO can save approximately \$645 per annum if switching to the best market offer.**⁹ The difference between the best and the worst market offer is \$710 per annum for this meter type. **See chart 6 in section 2.1.**
- ▲ The **DMO off-peak rates for controlled load have increased significantly** over the last two years (34%). For the average market offer, the off-peak rate has increased by 11% over the same period. **See chart 7 in section 2.1.**
- ▲ For **gas, the average annual market offer bill for households consuming 21,000 Mj per annum is currently \$1,490.** That is \$95, or 8%, more than last year.¹⁰ **See section 2.2.**

3. These calculations are based on changes to the DMO/standard contract offer for single rate electricity customers using 6,000kWh per annum, changes to the DMO/standard contract for controlled load electricity customers (typically all-electric households) using 7,500kWh per annum (thereof 20% off-peak) and changes to the standing offer for gas customers using 21,000Mj per annum.

4. Based on AGL's DMO/standard contract offers.

5. Based on AGL's DMO/standard contract offer for single rate.

6. Based on average gas standing offer across all retailers.

7. Households using 6,000kWh per annum (single rate) and all market offer bills include additional discounts and/or pay on time discounts.

8. Ibid.

9. Based on AGL's standard contract offer and the best of the published market offers (including pay on time discounts).

10. Households using 21,000 Mj per annum and all market offer bills include additional discounts and/or pay on time discounts.

- ▲ Typical consumption households (21,000Mj) **can save \$115** per annum if switching from Origin's standard contract to the best market offer.¹¹ **See chart 9 in section 2.2.**
- ▲ **Price changes to individual electricity and gas market offers vary significantly between retailers. See section 3.**
- ▲ The daily electricity and gas supply charges vary significantly between retailers as well as retail offers. **The lowest market offer supply charge (including pay on time discounts) is approximately \$260 per annum less than the highest supply charge for electricity. For gas, the difference is \$95 per annum. See charts 12 and 13 in section 4.**
- ▲ **The electricity Network Use of System (NUOS) charges increased marginally in July 2024.** However, as AGL's DMO offer decreased in of July 2024, the NUOS proportion of the standing offer bill has increased and currently **accounts for 36% of an average consumption customer's bill. See chart 14 in section 5.**
- ▲ **The gas Distribution Use of System (DUOS) charges increased in July 2024.** However, as Origin's standing offer price has also increased, the DUOS proportion of gas bills has remained unchanged. **The DUOS proportion of gas retail bills is currently 42%. See chart 15 in section 5.**
- ▲ **For solar customers, the average annual bill is approximately \$1,800 for households with 3 kW systems and \$2,095 for households with 1.5 kW systems installed.¹² This means that the average annual bill is \$1,120 less for solar households with 3 kW systems installed compared to non-solar households. See section 6.**
- ▲ Compared to last year, **the average market offer for solar customers with a 3kW system has increased by \$55 (or 3%)** and for solar customers with a 1.5 kW system it has remained unchanged.¹³ **See section 6.**
- ▲ **The average FIT rate (across all retailers) has mostly been in decline since 2018. Post July 2024, the average FIT rate decreased to 4.1 c/kWh (down from 6.6 c/kWh in 2023). See table 4 in section 6.**

11. Based on Origin's standard contract offer and the best of the published market offers (including pay on time discounts).

12. Adelaide households using 6,000kWh per annum (single rate) and all market offer bills include additional discounts and/or pay on time discounts.

13. Ibid.

1. Energy price changes from July 2023 to July 2024

On 1 July 2019, the Australian Energy Regulator’s (AER) new Default Market Offer (DMO) took effect in South Australia. The DMO has replaced the previously retailer-set standing offers. Importantly, the AER’s DMO is expressed as an annual bill for a set consumption level and retailers are still able to “translate the annual amount into different tariff structures”.¹⁴ The Regulations stipulate that retailers must structure their prices to not exceed the annual DMO price for that consumption level.¹⁵ In both July 2020 and July 2021, the price of the DMO decreased while it increased in July 2022 and July 2023. In July 2024 the DMO had a moderate decrease.

The DMO prices for single rate and controlled load tariffs in South Australia are listed in table 1 below.¹⁶

TABLE 1 | Residential DMO prices in South Australia for 2024-25 (including GST)

SAPN	
SINGLE/FLAT RATE	
Annual bill	\$2,230
Consumption level	4,000 kWh/annum
CONTROLLED LOAD[^]	
Annual bill	\$2,760
Consumption level	6,000 kWh/annum

[^]Approximately 30% of the annual consumption is allocated to the controlled load tariff.

As the Tariff-Tracking project aims to monitor and assess changes to energy prices over time, the remaining analysis presented in this report will be based on the consumption levels previous Tariff-Tracking reports have used for South Australia. That is 6,000 kWh per annum for single rate customers and 7,500 kWh per annum for households with controlled load.

AGL’s current DMOs are approximately -2% lower than they were last year (July 2023) for single rate customers. AGL’s current DMO produces annual bills of between \$3,130 and \$3,535 (depending on meter type) and that is an annual decrease of around \$75 for single rate and \$15 for control load customers with these consumption levels. Chart 1 and 2 below show annual bills for average consumption households on AGL’s DMO as of July 2023 and July 2024, as well as the average DMO (across all retailers) in the same years. This year, AGL’s DMO, for these consumption levels, is somewhat higher than the average DMO (based on all retailers).¹⁷

14. AER, Default Market Offer Prices 2020-21, Final Determination, April 2020, 9

15. Ibid., 9

16. AER, Default Market Offer Prices 2024-25, Final Determination, Track-changed comparison, 3 June 2024

17. As South Australia deregulated the retail market in February 2013 and AGL was required to offer a transitional standing offer for two years post deregulation, the majority of South Australian households currently on an electricity standing offer are therefore AGL customers. As of Quarter 3 in 2023/24, around 81% of all standard contract electricity customers in South Australia were AGL customers. See AER, data for the Retail energy market performance update for Quarter 3, 2023-24, Types of contracts Q3 2023/24, Indicators s2.1, s2.2 and s2.6.

CHART 1 | Differences to the annual cost of AGL's DMO/standing contract electricity offers from 2023 to 2024. Based on annual consumption level of 6,000kWh for single rate and 7,500kWh per annum (thereof 20% controlled load), GST inclusive

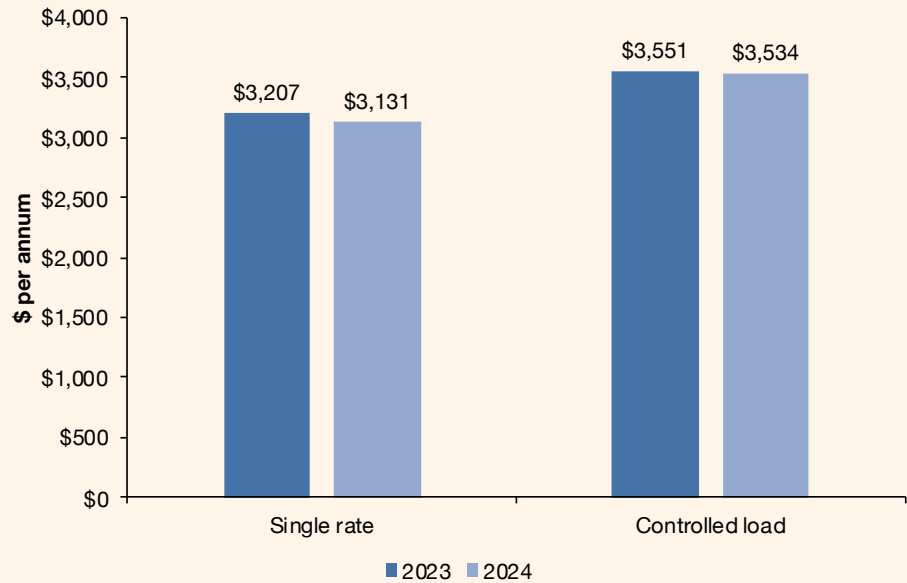
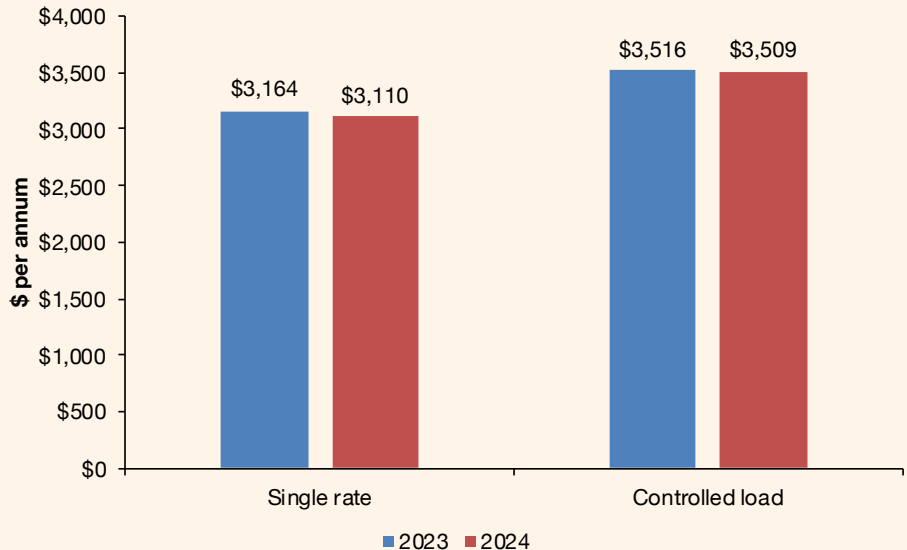
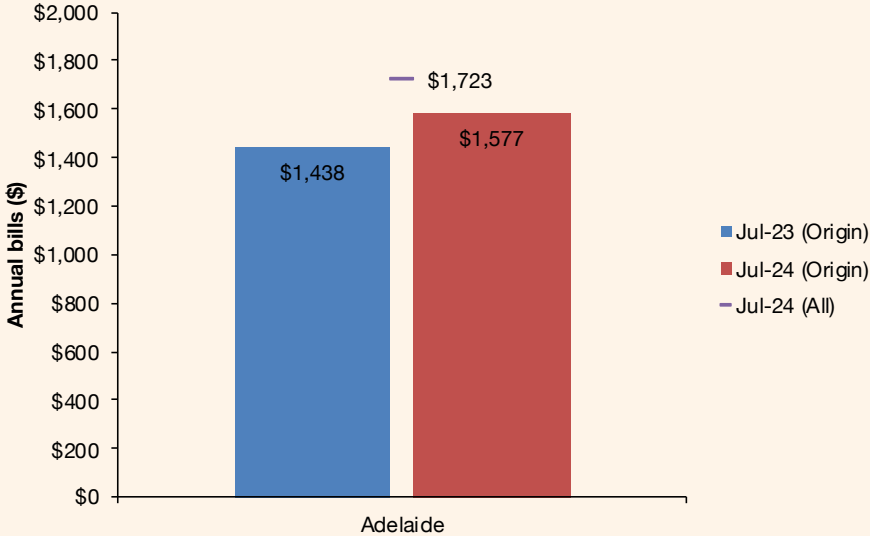


CHART 2 | Differences to the annual cost of the average (all retailers) DMO/standing contract electricity offer from 2023 to 2024. Based on annual consumption level of 6,000kWh for single rate and 7,500kWh per annum (thereof 20% controlled load), GST inclusive



In terms of gas, Origin's standing offer gas bills increased by 10% for households with an annual consumption of 21,000Mj in July 2024. Chart 3 below shows Origin Energy's annual bills for the average consumption household on the gas standing offer as of July 2023 and July 2024, as well as the average standing offer (across all retailers) in July 2024. It shows that the annual bill for Origin standing offer customers has increased by almost \$140 and that Origin's annual bill as of July 2024 is less than the average standing offer.

CHART 3 | Differences to the annual cost of gas Standing offers/ Standard contracts from July 2023 to July 2024, 21,000Mj per annum, GST inclusive



2. Market offers post July 2024

2.1 Electricity market offers post July 2024¹⁸

- ▲ The difference between the worst DMO/standard contract offer and the best market offer is \$635 per annum (households using 6,000kWh, single rate).¹⁹
- ▲ Customers on AGL’s DMO for electricity can save \$550 if switching to the best market offer.²⁰
- ▲ The average annual bill for households consuming 6,000kWh per annum is currently around \$2,920. That is only \$40 less than it was last year.²¹
- ▲ The difference between the best and the worst market offer is approximately \$575 per annum.²² The difference, or the price spread, is thus much lower than last year when it was \$1,220.
- ▲ If we exclude the single worst and the single best market offer, however, the maximum price-spread is reduced to \$370. Chart 5 below shows the retail market offer price-spread for electricity retail offers.

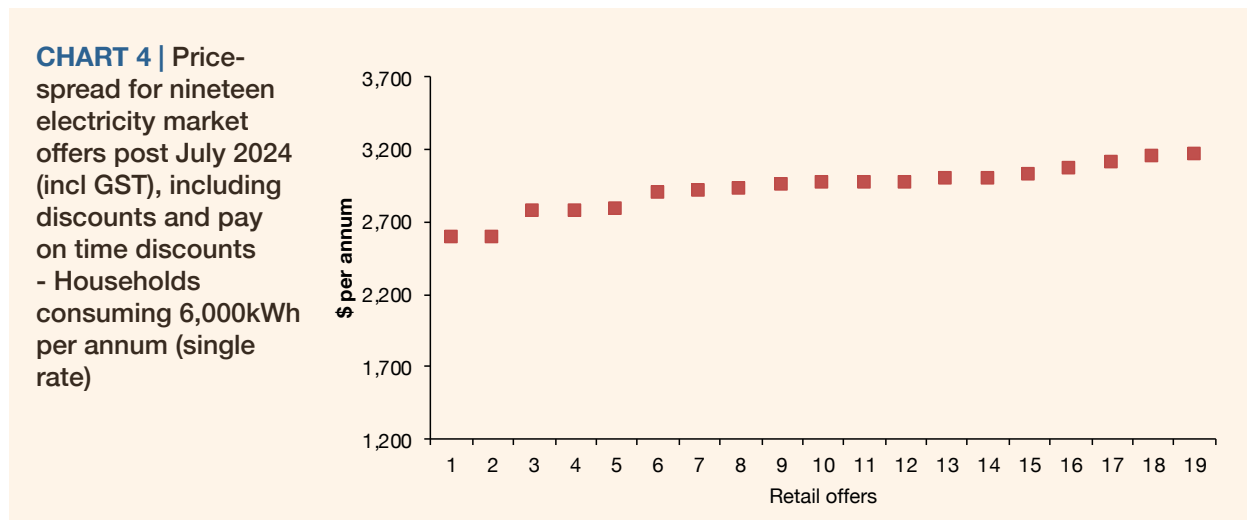


Table 2 below shows additional discounts applicable to the electricity retailers’ published market offer rates. We note that the trend of fewer conditional pay on time discounts being offered and discounts being lower is continuing. Currently Diamond Energy, CovaU and GloBird are the only retailers that offer a pay on time discount, while Energy Australia and Engie are the only retailers that offer a guaranteed discount.

Table 2 also shows other contract terms and features, such as late payment fees, associated with these market offers. Some of the retailers have multiple market offers and may offer higher (or lower) discounts than those listed here. However, if the discounts are higher, they are usually tied to other conditions such as payment by direct debit or e-billing.

18. These market offers were collected from the retailers’ websites or Energy Made Easy on 3 September 2024. It should be noted that retailers may change their rates at any time.
 19. Based on the worst standing offer (single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).
 20. Based on AGL’s standing offer (single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).
 21. Households using 6,000kWh per annum (single rate) and all market offer bills include additional discounts and/or pay on time discounts. Note that these calculations are based on retail offers only and do not take government assistance such as the Energy Bill Relief Fund into account.
 22. Ibid.

Retail offers (currently only Energy Locals' offer) may also include a membership fee. When analysing offers that include a membership fee, we have added this amount to the fixed supply charge.

TABLE 2 | Published electricity market offers taking effect after July 2024: Key additional features and contract conditions

Retail product	Guaranteed discounts	Pay on time discounts	ETF*	LPF*	Shortened billing cycle [^]	Offer took effect
AGL Value Saver	No	No	No	\$12.00	No	12/8/24
Alinta Energy Home Saver	No	No	No	No	Yes [^]	19/8/24
Diamond Energy Renewable Saver	No	2% off bill	No	\$15.00	No	7/8/24
EnergyAustralia Flexi Plan	7% off bill	No	No	\$12.00	No	1/9/24
Lumo Energy Basic	No	No	No	No	No	8/7/24
Origin Energy Go Variable	No	No	No	\$12.00	No	5/7/24
Red Energy Living Energy Saver	No	No	No	No	No	8/7/24
Energy Locals Online Member	No	No	No	\$16.00	No	31/7/24
Engie Saver	5% off bill	No	No	\$12.00	No	31/7/24
Powershop Power House	No	No	No	No	Yes [^]	11/7/24
GloBird Energy GloSave	No	2% off bill	No	No	Yes [^]	3/9/24
Kogan Energy Free Kogan First	No	No	No	No	Yes [^]	11/7/24
Momentum Energy Suit Yourself	No	No	No	No	No	1/7/24
OVO The One Plan	No	No	No	No	Yes [^]	1/9/24
Sumo Power Switch	No	No	No	No	Yes [^]	26/8/24
CovaU Freedom	5% off usage	No	No	No	No	1/8/24
Nectr 100% Clean	No	No	No	No	Yes [^]	16/7/24
Tango Energy Home Select	No	No	No	No	No	5/7/24
Future X Power Market Offer	No	No	No	No	No	9/7/24

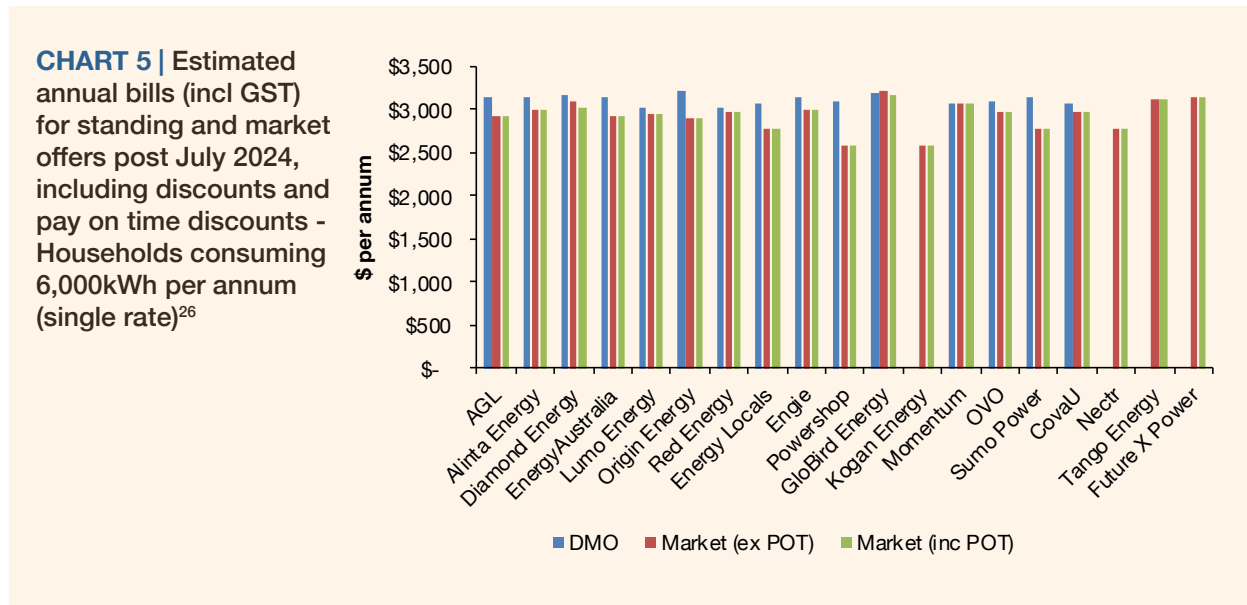
* ETF = Early Termination Fee and LPF = Late Payment Fee

Note that it is often unclear whether retailers actually apply a LPF as information on the retailers' website may be different to their Price and Product Information Statements

[^] If yes, the offer has a mandatory shortened billing cycle (monthly billing) ^{^^} Fortnightly billing cycle

2.1.1 Potential savings - Differences between electricity offers

Households currently on AGL’s DMO can save approximately \$550 if switching to the best market offer.²³ The difference between the worst standing offer (Origin Energy) and the best market offer (Powershop and Kogan) is \$635 per annum.²⁴ Chart 5 below shows annual retail bills for typical consumption households (households using 6,000kWh). The blue columns to the left represent the DMO bill, the red columns are the market offers including guaranteed discounts (but not pay on time discounts) while the green columns are market offer bills including guaranteed and pay on time discounts.²⁵



The difference between the best and the worst market offer is currently less than the difference between the worst DMO and the best market offer. Powershop and Kogan’s offer is \$575 less than Globird’s market offer post discounts (and pay on time discounts) for households with this consumption level. Compared to last year (July 2023), the average market offer (inclusive of additional discounts) has increased slightly (1%).

23. Based on market offer bills that include discounts and pay on time discounts.

24. Based on the worst standing offer (single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).

25. These market offers were collected from the retailers’ websites or Energy Made Easy on 3 September 2024. It should be noted that retailers may change their rates at any time. Discounts have been applied to consumption and/or total bill as per offers listed in table 2.

26. Note that some retailers do not have a published DMO. Retailers’ with DMOs only (i.e. no market offers) have been excluded from this analysis.

Figure 1 below shows estimated annual bills for market offers post discounts as well as how they ranked compared to other retailers.

FIGURE 1 | Lowest to highest annual bills (incl GST) for market offers post July 2024, including discounts and pay on time discounts - Households consuming 6,000kWh per annum (single rate)²⁷

 Powershop	\$2,582	 EnergyAustralia	\$2,917	 Diamond Energy	\$3,022
 Kogan Energy	\$2,582	 Lumo Energy	\$2,943	 Momentum	\$3,057
 Sumo Power	\$2,768	 OVO	\$2,962	 Tango Energy	\$3,106
 EnergyLocals	\$2,773	 Red Energy	\$2,964	 Future X Power	\$3,137
 Nectr	\$2,774	 CovaU	\$2,967	 GloBird Energy	\$3,158
 Origin Energy	\$2,897	 Engie	\$2,988		
 AGL	\$2,912	 Alinta Energy	\$2,994		

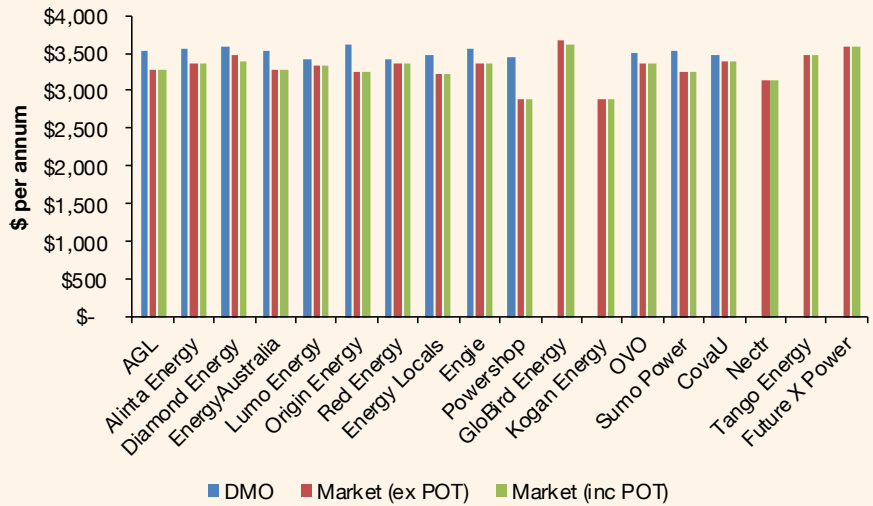
Chart 6 below shows a similar trend for households with controlled load (using 7,500kWh per annum and thereof 20% controlled load).²⁸

The difference between the worst standing offer and the best market offer is around \$725 per annum (for households with controlled off-peak load using 7,500kWh per annum).²⁹ Households currently on AGL’s standing offer can save \$645 if switching to the best market offer. The difference between the best and the worst market offer is approximately \$710 and Powershop/Kogan’s offer produces the lowest bill while GloBird’s rates produce the highest bill for households with controlled off-peak load.

The blue columns to the left represent the standing offer bill, the red columns are the market offers including guaranteed discounts (but not pay on time discounts) while the green columns are market offer bills including pay on time discounts.³⁰

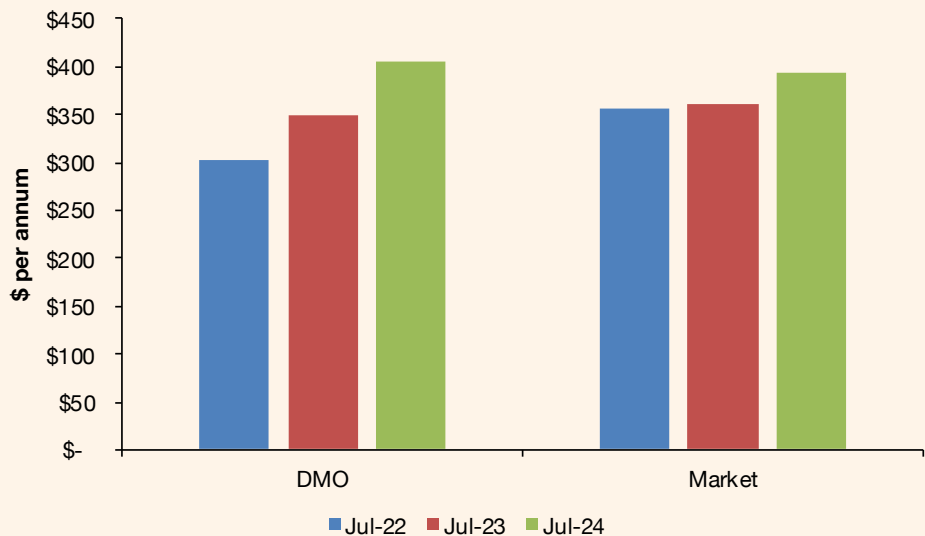
27. These market offers were collected from the retailers’ websites or Energy Made Easy on 3 September 2024. It should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.
 28. Note that with the installation of smart meters, a three-part time of use (TOU) tariff type has become increasingly common in South Australia. The workbooks accompanying this report now include bill calculations for single rate, controlled load and TOU tariffs. The NEM comparison report (to be published in November 2024) will also compare TOU tariffs in South Australia, NSW and Queensland.
 29. Based on market offer bills that include discounts and pay on time discounts.
 30. These market offers were collected from the retailers’ websites on 3 September 2024. Discounts have been applied to consumption and/or total bill as per offers listed in table 3.

CHART 6 | Estimated annual bills (incl GST) for standing and market offers post July 2024, including discounts and pay on time discounts - Households consuming 7,500kWh per annum (20% controlled off peak)³¹



The DMO off-peak rates for controlled load have increased significantly. Chart 7 shows annual controlled load costs for the average DMO offer as well as the average market offer in July 2022, July 2023 and July 2024. It shows that there has been an increase of 11% to the controlled off-peak rates for the average market offer since July 2022 while the average DMO controlled off-peak rates have increased by 34%.

CHART 7 | Estimated annual cost of controlled off-peak usage (incl GST) for standing and market offers (including discounts and pay on time discounts) July 2022, July 2023 and July 2024, Households consuming 7,500kWh per annum (20% controlled off peak)

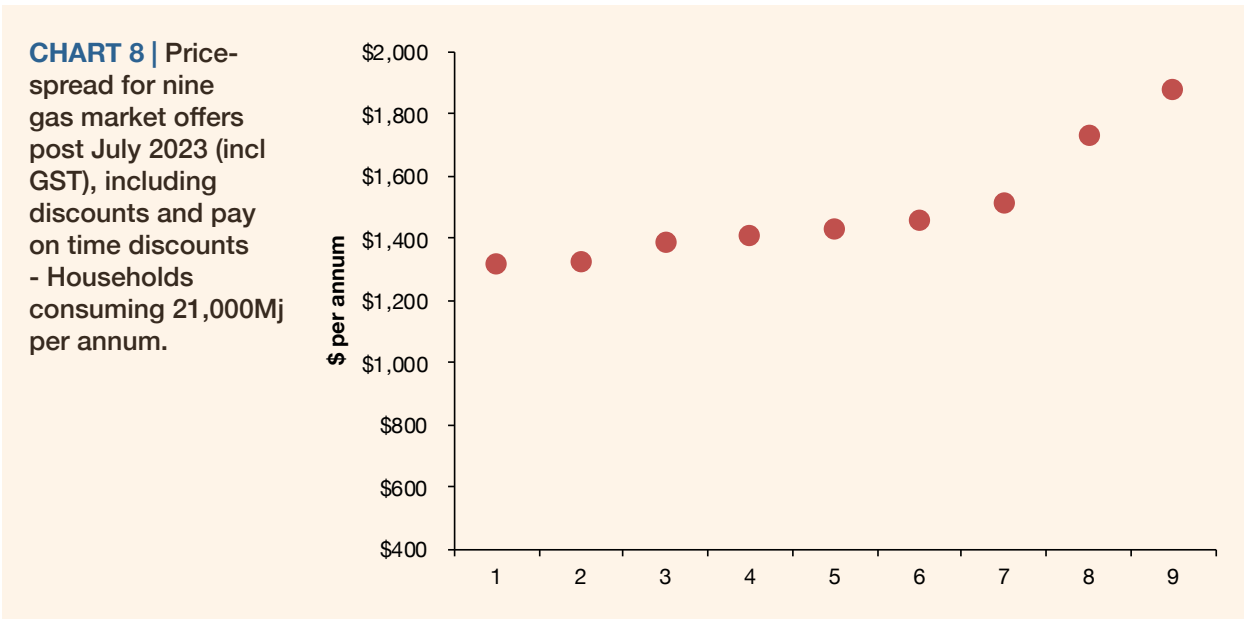


31. Note that some retailers do not have a published DMO. Retailers' with DMOs only (i.e. no market offers) have been excluded from this analysis.

2.2 Gas market offers post July 2024³²

There are very few gas market offers in South Australia and the only area where there is more than one market offer is greater Adelaide (households in the other areas only have access to Origin’s market offer). As such, the below analysis only comprises standard contracts vs. market offers in the greater Adelaide area.

- ▲ The average annual bill for households consuming 21,000 Mj per annum is currently \$1,490. That is \$95, or 8%, more than it was last year.³³
- ▲ The difference between the best and the worst gas market offer is \$555 per annum (compared to \$420 last year). See chart 8 below.
- ▲ Typical consumption households (21,000 Mj) can save \$115 per annum if switching from Origin’s standing offer to the best market offer.³⁴ See chart 9 below.



The discounts (including pay on time discounts) used to estimate the annual bills are shown in table 3 below. As is the case for electricity, gas market offers contain fewer discounts as well as other conditions compared to previously. Table 3 also shows other contract terms and features associated with these market offers.

³². These market offers were collected on 3 September 2024 and it should be noted that retailers may change their rates at any time.
³³. Households using 21,000 Mj per annum and all market offer bills include additional discounts and/or pay on time discounts.
³⁴. Based on the regulated offer and the best of the published market offers (including pay on time discounts).

TABLE 3 | Published gas market offers in the Adelaide gas zone post July 2024: Key additional features and contract conditions

Retail product	Guaranteed discount	Pay on time discounts	ETF [^]	LPF [^]	Offer took effect
AGL Value Saver	No	No	No	\$12.00	4/7/24
Energy Australia Flexi Plan	18% off bill	No	No	\$12.00	1/8/24
Origin Go Variable	No	No	No	\$12.00	5/7/24
Engie Saver	No	No	No	\$12.00	31/7/24
Red Energy Living Energy Saver	No	No	No	No	1/7/24
Lumo Energy Basic	No	No	No	No	1/7/24
GloBird Energy Boost	No	No	No	No	1/9/24
Alinta Energy Home Saver	No	No	No	No	19/8/24
CovaU Freedom	No	No	No	No	12/4/23

[^] ETF = Early Termination Fee and LPF = Late Payment Fee

Note that it is often unclear whether retailers actually apply a LPF as information on the retailers' website may be different to their Price and Product Information Statements

2.2.1 Potential savings - Differences between gas offers

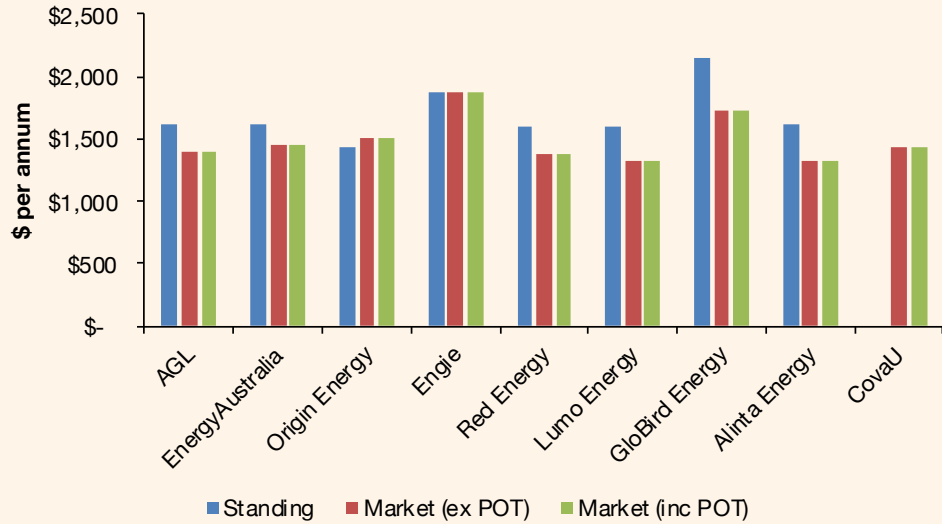
Chart 9 below shows annual retail bills for typical consumption (21,000Mj per annum). The blue columns to the left represent the standing offer bill, the red columns are the market offers including guaranteed discounts (but not pay on time discounts) while the green columns are market offer bills including guaranteed and pay on time discounts.³⁵

It shows that typical consumption households (21,000Mj per annum) on the worst standing offer can save \$830 per annum if switching to the best published market offer.³⁶ Lumo Energy is currently the retailer with the best gas market offer while GloBird has the worst standing offer.

35. These market offers were collected on 3 September 2024 and it should be noted that retailers may change their rates at any time. Discounts have been applied to consumption and/or total bill as per offers listed in table 3.


36. Based on market offer bills that include discounts and pay on time discounts.

CHART 9 |
Estimated annual bills (incl GST) for standing and market offers post July 2024, including discounts and pay on time discounts - Households consuming 21,000 Mj per annum (single rate)³⁷



The difference between the best and the worst gas market offers is less significant. Lumo Energy’s market offer is approximately \$555 less than Engie’s market offer (post discounts) for households with this consumption level. Figure 2 below shows estimated annual bills for gas market offers post discounts ranked from the lowest annual bill to the highest.

FIGURE 2 | Lowest to highest annual bills (incl GST) for gas market offers post July 2024, including discounts and pay on time discounts - Households consuming 21,000Mj per annum³⁸

	Lumo Energy	\$1,318
	Alinta Energy	\$1,322
	Red Energy	\$1,377
	AGL	\$1,405
	CovaU	\$1,433
	EnergyAustralia	\$1,458
	Origin Energy	\$1,504
	GloBird Energy	\$1,725
	Engie	\$1,871

37. Retailers without market offers have been excluded from this analysis.

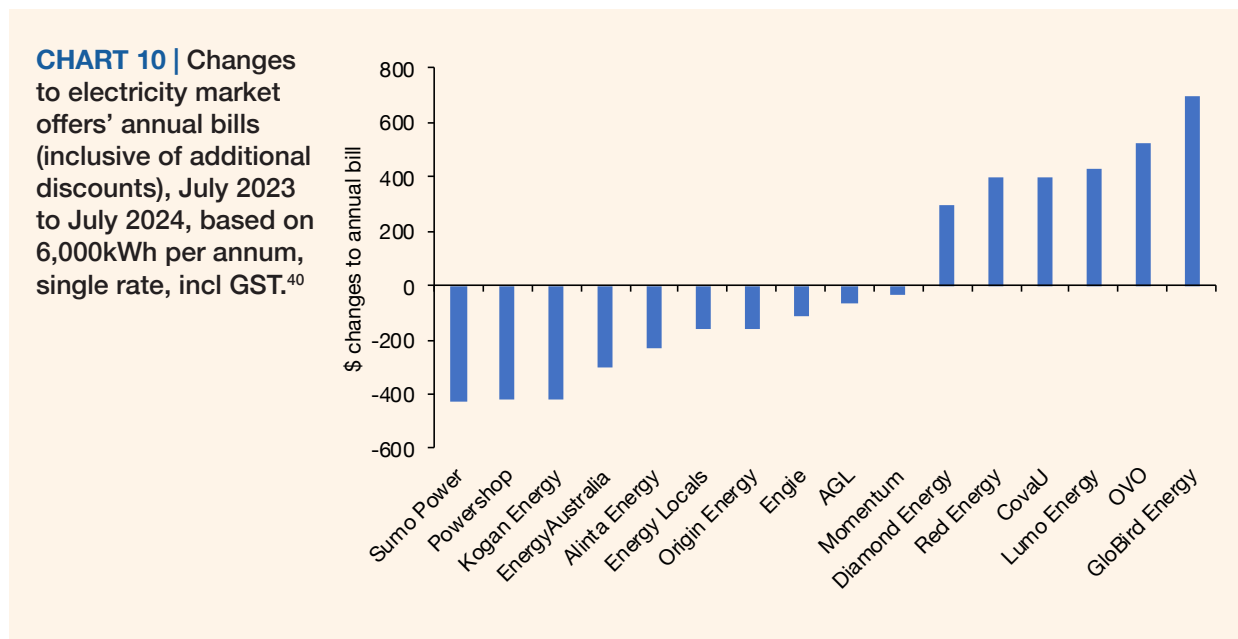
38. These market offers were collected on 3 September 2024 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

3. Price changes

While the average electricity market offer has increased by 1% over the last year (since July 2023) and the average gas market has increased by 8%, the below analysis shows that there are significant differences between individual retailers.

3.1 Changes to individual electricity market offers July 2023 to July 2024

Chart 10 below shows changes to individual retailers’ market offers from July 2023 to July 2024. It highlights that all electricity retailers changed their market offers between July 2023 and July 2024 despite there only being a slight increase to the average market offer.³⁹ Furthermore, it shows that there are significant differences between retailers. GloBird, for example has increased their offer by almost \$700 per annum (after significant decrease in July 2023) while Sumo Power, Powershop and Kogan have decreased their offers by more than \$400 per annum.

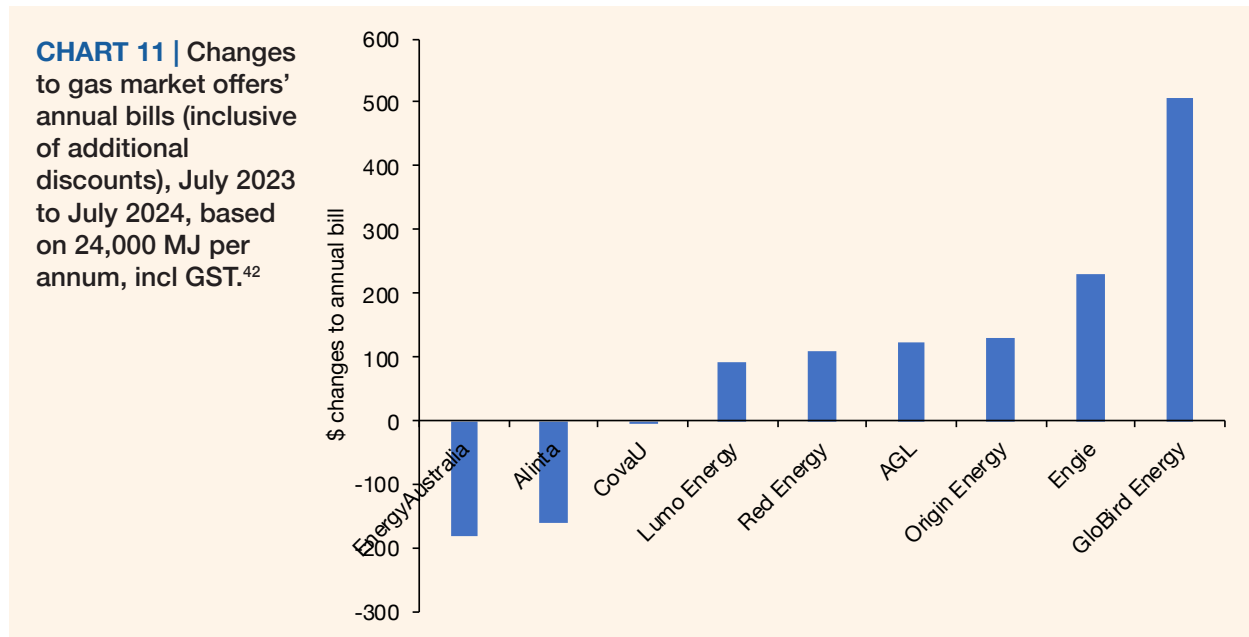


39. Note that this analysis only includes retailers that had published market offers in July 2023 as well as July 2024.

40. As retailers may discontinue offers and/or introduced new market offers, this analysis is based on market offers deemed best value as well as “standard” (e.g. no direct debit requirements etc.) in both July 2023 and July 2024. Retailers discontinue offers and introduce new offers, where this has occurred, the offers used for this comparison (2023/2024) are: Alinta (Home Deal/Home Saver), Lumo (Plus/Basic), Powershop (Carbon Neutral/Power House) and Sumo (Lite/Switch).

3.2 Changes to individual gas market offers July 2023 to July 2024

Chart 11 below shows that all gas retailers, except CovaU, changed their market offers between July 2023 and July 2024.⁴¹ It also shows that six retailers increased their prices while two retailers reduced theirs.



41. Note that this analysis only includes retailers that had published market offers in July 2023 as well as July 2024.

42. As retailers may discontinue offers and/or introduced new market offers, this analysis is based on market offers deemed best value as well as "standard" (e.g. no direct debit requirements etc.) in both July 2023 and July 2024. Retailers discontinue offers and introduce new offers, where this has occurred, the offers used for this comparison (2023/2024) are: Alinta (Home Deal/Home Saver) and Lumo (Plus/Basic).

4. Supply Charges

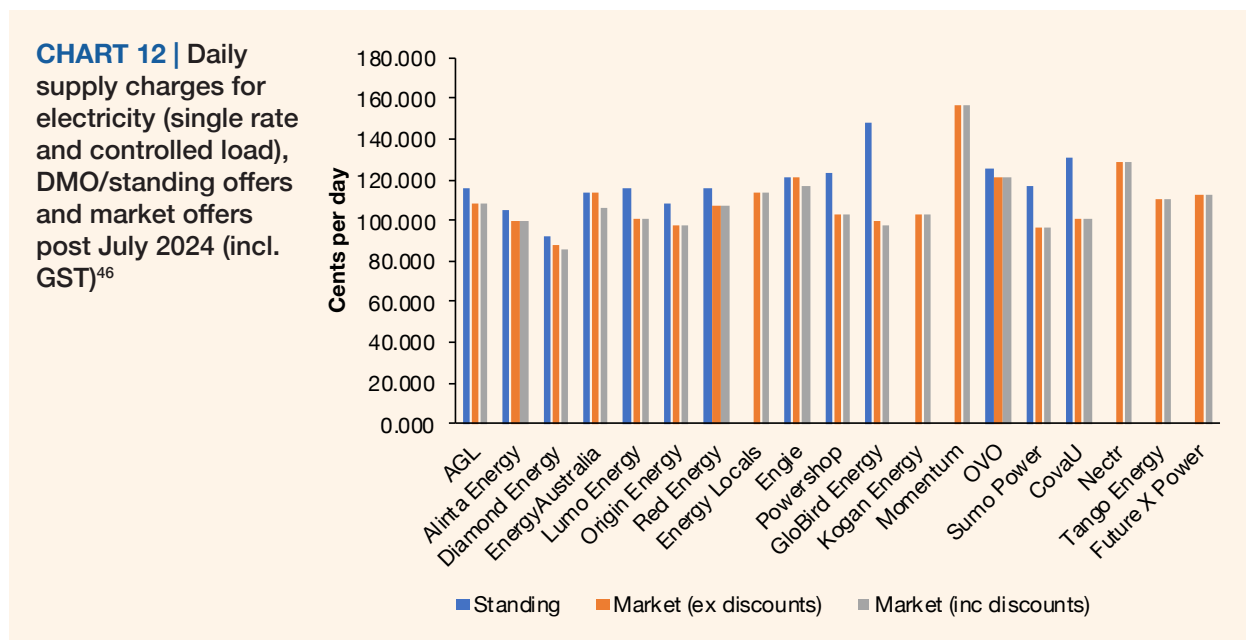
The supply charge is a fixed daily charge that is paid in addition to the consumption charges for electricity/gas used. High supply charges result in low consumption households paying a proportionally higher cost per unit of energy than high consumption households. This has significant equity implications as some customer classes characterised by low and fixed income also use less electricity than the South Australian average. Pensioners make up one of these lower consumption groups.⁴³

4.1 Electricity supply charges

Consumers shopping around for a better market offer should thus be aware that some retail offers have significantly higher supply charges than other retailers and/or contract types.

Chart 12 below shows the daily supply charges (cents per day) for the various offers available post July 2024. The blue columns to the left represent the supply charge for standing offers, the orange columns are the market offers excluding discounts while the yellow columns are market offer bills including discounts.⁴⁴

It shows that all retailers, except Momentum, apply higher supply charges to their standing offers than they do to market offers. The increasing trend to offer only small discounts, or none at all, means discounting now has a minimal impact on supply charges compared to previous years. For market offers, inclusive of discounts, the difference between the highest supply charge (Momentum) and the lowest (Diamond Energy) is around \$260 per annum.⁴⁵



43. ABS survey data shows that households with government pensions and allowances as their main source of income have a mean weekly electricity consumption of approximately 122kWh and that households with wages and salaries as their main income source use approximately 20kWh more per week (142kWh/week). See ABS, 4670.0 Household Energy Consumption Survey 2012, Table 8, September 2013. Furthermore, Victorian consumption surveys have found that concession card holders in general, and households on the aged concession in particular, have lower consumption than the general population. See Victorian Utility Consumption Household Survey 2007 by Roy Morgan Research for Dept. of Human Services, Final report, April 2008, p 75. The lower consumption levels among aged concession card holders relates to the average size of these households. Pensioners, as a customer group, are on average smaller households (fewer people) compared to the population on a whole and this has an impact on their consumption levels.

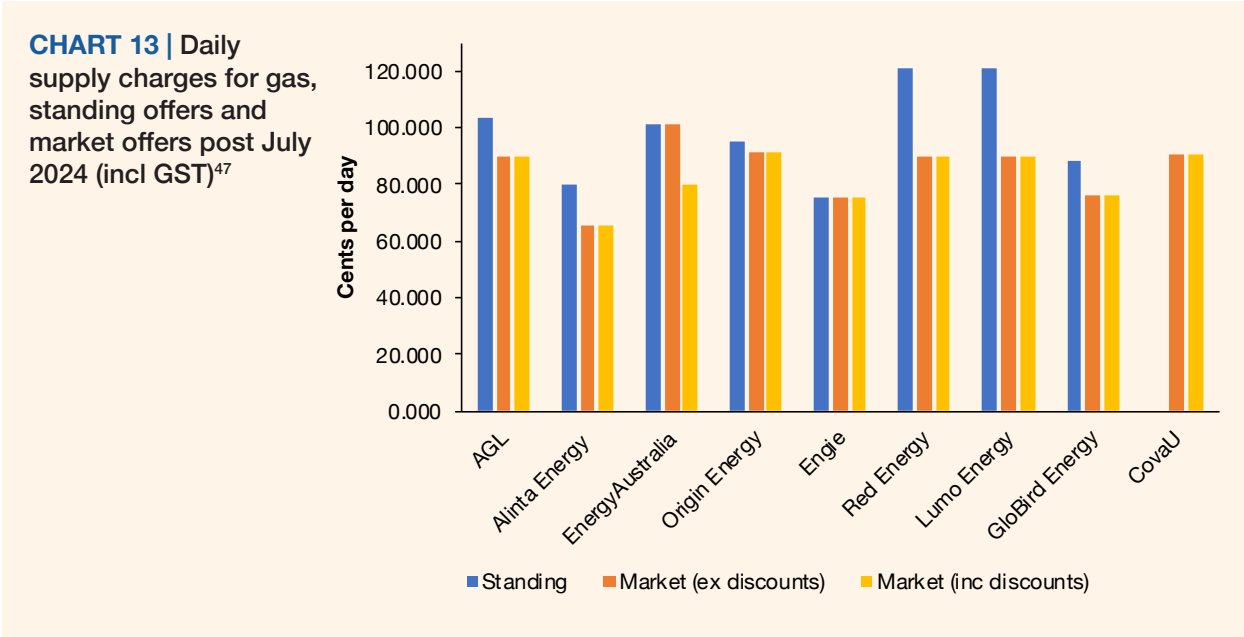
44. Not all retailers have DMO/standing offers listed on their websites. These market offers were collected on 3 September 2024 and it should be noted that retailers may change their rates at any time. Discounts have been applied to consumption and/or total bill as per offers listed in table 3.

45. Note that Energy Locals offer does include a membership fee in addition to the supply charge. This membership fee has not been included in this analysis.

46. Retailers with standing offers but no market offers have been excluded from this analysis. Market offer calculations do not incorporate membership fees associated with any of these offers.

4.2 Gas supply charges

Chart 13 shows that both Red Energy’s and Lumo Energy’s standing offer supply charge is 121 cents per day, which means that customers would pay approximately \$165 more per annum in fixed supply charge on this offer compared to Engie’s standing offer (which is just under 69 cents/day). In terms of market offers, the difference between the highest supply charge (Origin Energy) and the lowest (Alinta Energy) is approximately \$95 per annum. As with electricity, discounting has minimal impact on gas supply charges this year with only one retailer offering a discount (Energy Australia).



47. Retailers without market offers have been excluded from this analysis.

5. Network charges

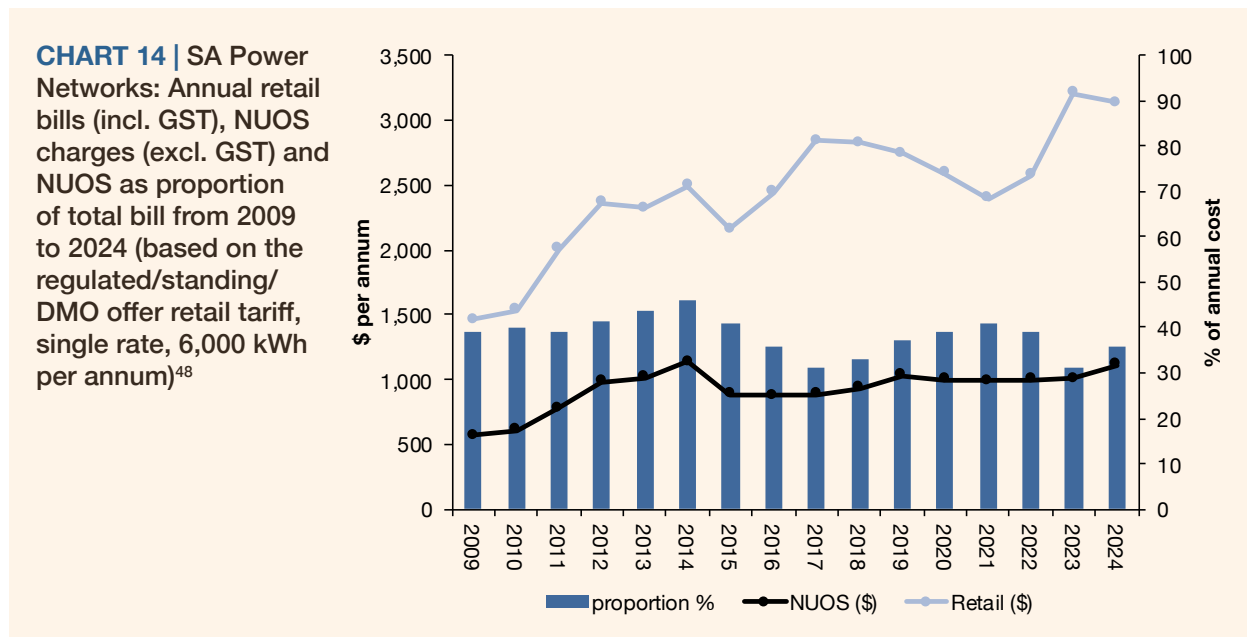
This section examines changes to electricity network charges since 2009 and gas distribution charges since 2019.

5.1 Electricity network charges

The South Australian electricity network, SA Power Networks, introduces new Network Use of System (NUOS) charges as of 1 July every year. These NUOS charges are approved by the Australian Energy Regulator (AER) and comprise Transmission Use of System (TUOS) and Distribution Use of System (DUOS) as well as other costs such as jurisdictional charges and metering charges. The retailers can, and generally will, build changes to the NUOS (in relation to both shape and price) into their retail tariffs.

Chart 14 shows that the NUOS charge increased every year from 2009 to 2014 before significantly reducing in July 2015 and continuing to decrease until 2017. It increased again in 2018 and 2019, but in 2020 and 2021, the NUOS charge decreased. Since 2022 the NUOS charges have increased, albeit marginally. However, as AGL's DMO offer decreased in of July 2024, the NUOS proportion of the standing offer bill has increased and currently accounts for 36% of an average consumption customer's bill.

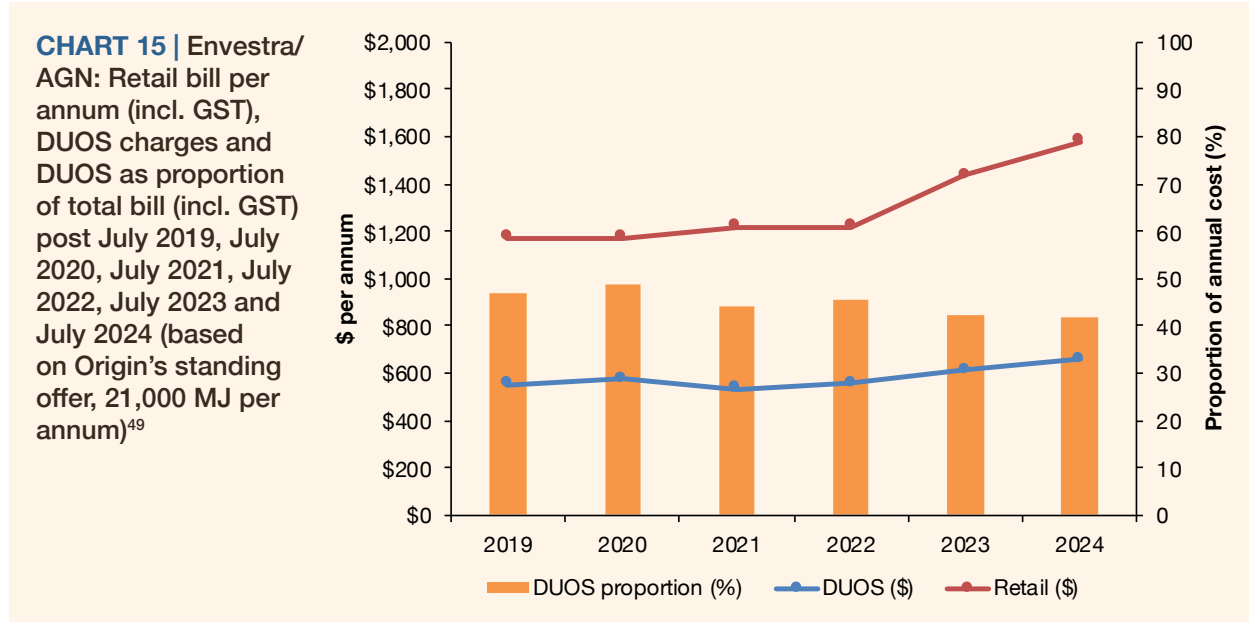
Chart 14 shows annual retail bills (solid line), NUOS charges as annual cost (dotted line) and NUOS as proportion of annual bill (columns).



48. Based on AGL's regulated/standing offer/DMO rates from 2009 to 2024, presented as annual bills for households using 6,000kWh per annum (single rate). The annual NUOS charges have been calculated by allocating 1,500kWh per quarter (again based on annual consumption of 6,000kWh) to the step charges stipulated in the NUOS. The annual NUOS cost also includes fixed charges.

5.2 Gas network charges

As for electricity, the South Australian gas distributor, Envestra/AGN, introduces new Distribution Use of System (DUOS) charges as of 1 July every year. Chart 15 below shows that the DUOS charges increased in July 2024. However, as Origin’s standing offer price has also increased, the DUOS proportion of gas bills has remained unchanged. The DUOS proportion of gas retail bills is currently 42%.



49. Based Origin’s standing offer as of July 2019, 2020, 2021, 2022, 2023 and 2024. Presented as annual bills for households using 21,000 MJ per annum. The annual DUOS charges have been calculated by allocating 5,250 MJ per quarter (again based on annual consumption of 21,000 MJ) to the step charges stipulated in the DUOS. The annual DUOS cost also includes fixed charges.

6. Solar Offers

There are approximately 398,000 small to medium scale solar systems in South Australia.⁵⁰ Some of these households are currently receiving a solar feed in rate (FIT) of 44 cents per exported kWh but as these schemes are closed to new entrants, customers currently looking for solar offers need to assess both the retailers' FIT rates as well as the cost of electricity imported.

This section analyses and compares market offer bills for South Australian customers with 1.5 kW and 3 kW systems installed.⁵¹ As retailers are not required to publish rates for solar products purchased and installed through them, this analysis only examines electricity offers available to customers independently of solar panels and installation.

Methodology and assumptions

To calculate the annual bills for the various solar market offers the following assumptions and methodology have been applied:

- ▲ An annual household consumption of 6,000kWh (including both produced and imported).
- ▲ For customers with controlled load, 20% of the total consumption has been allocated to the off-peak rate.
- ▲ Calculations have been produced for households with 1.5 kW and 3 kW systems only.
- ▲ For Adelaide households, an annual generation capacity per kW installed of 1.680 MWh and an export rate of 51.8% for 3 kW systems and 22.1% for 1.5 kW systems.
- ▲ For non-metropolitan households, an annual generation capacity per kW installed of 1.875 MWh and an export rate of 56.8% for 3 kW systems and 20.2% for 1.5 kW systems.
- ▲ Only FIT rates available to new customers have been included. Retailer funded FIT rates have been applied as per offer (see table 5 below).
- ▲ A flat annual consumption has been assumed.
- ▲ The annual bills have been based on quarterly bill calculations and all step increases have been applied as quarterly thresholds (including when the retail offer refers to daily or monthly thresholds). Daily fixed charges have been multiplied by 91 to calculate the quarterly amount.

The average FIT rate (across all retailers) has mostly been in decline since 2018. In July 2018 it was 14.3 c/kWh, in 2019 it was 13 c/kWh, in 2020 it was 10.6 c/kWh, in 2021 it was 8.5 c/kWh and in July 2022 it was 5.2 c/kWh. As of July 2023, however, the average FIT rate increased to 6.6 c/kWh before reaching a new low at 4.1 c/kWh in July 2024. Furthermore, some retailers (AGL, Origin Energy, Energy Australia and Energy Locals) offer a higher FIT rate for a set amount of kWh exported each day and a lower FIT rate for export beyond that. FIT rates continue to vary significantly among those retailers who do offer them. For example, a household exporting 650 kWh per quarter would receive a quarterly FIT credit of \$313 from Energy Australia but nothing from CovaU, Nectr or Tango.

50. Small scale is defined as systems up to 100 kW. Australian Energy Council, Solar Report, Quarter 1, 2024, 3

51. We note that these systems are small compared to the size of the typical systems that are currently being installed. However, as a key objective of the Tariff-Tracker is to compare developments over time, we continue to base the analysis on 3 kW and 1.5 kW systems.

TABLE 4 | Retailers' FIT rates July 2024

Retailer*	Offer	1st FIT rate (c/kWh)	Threshold (kWh/day)	2nd FIT rate (c/kWh)
EnergyAustralia	Solar Max	12	15	8.5
AGL	Solar Savers	10	10	4
Origin Energy	Solar Boost	10	14	4
Alinta Energy	Home Saver	8		
Energy Locals	Online Member	6	8	3
Engie	Saver	5.5		
Diamond Energy	Renewable Saver	5.2		
Lumo Energy	Basic	4.5		
Red Energy	Living Energy Saver	4.5		
Future X Power	Residential	3		
Momentum	Suit Yourself	2.5		
OVO	The One Plan	2		
GloBird Energy	GloSave	1.5		
Powershop	Power House	1.4		
Kogan Energy	Free Kogan First Membership	1.4		
Sumo Power	Switch	1		
CovaU	Freedom	0		
Nectr	100% Clean	0		
Tango Energy	Home Select	0		

Chart 16 below compares annual retail bills for solar customers in Adelaide with 3 kW and 1.5 kW systems installed.⁵² It shows that GloBird, Momentum, OVO, Tango and Future X Power's offers produce annual bills above the average for both 3 kW and 1.5 kW systems. Adelaide solar customers with 3 kW systems (and this consumption level) would be approximately \$365 per annum better off on Powershop and Kogan's offers compared to Tango Energy's offer. Customers with a 1.5 kW system installed may save \$380 per annum if they switched from GloBird's to Powershop or Kogan's offers.⁵³

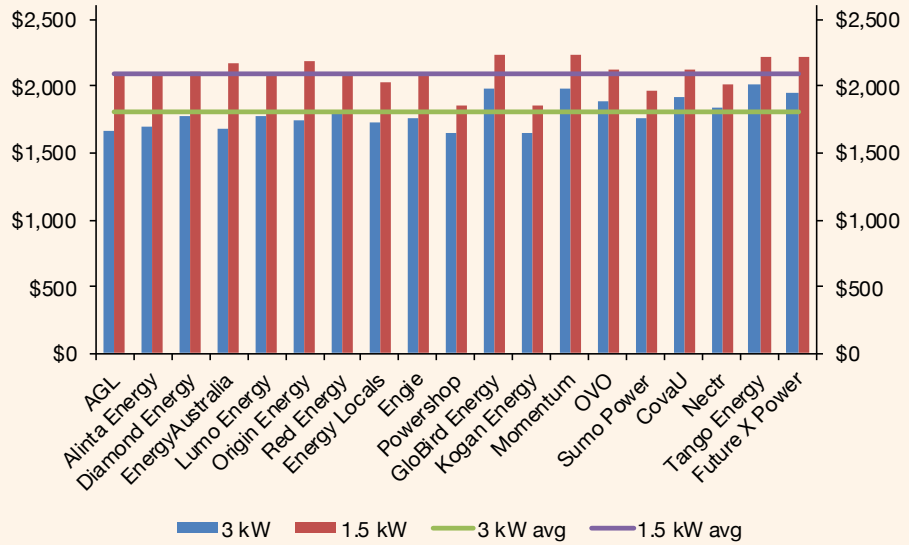
The average annual bill is approximately \$1,800 for households with 3 kW systems and \$2,095 for households with 1.5 kW systems installed. This means that the average annual bill is \$1,120 less for solar households with 3 kW systems installed compared to non-solar households (see section 2.1 above). Compared to last year, the average market offer for solar customers with a 3kW system has increased by \$55 (or 3%) while the average bill for solar customers with a 1.5 kW system has remained unchanged.⁵⁴

52. We note that these systems are small compared to the size of the typical systems that are currently being installed. However, as a key objective of the Tariff-Tracker is to compare developments over time, we continue to base the analysis on 3 kW and 1.5 kW systems.

53. Ibid.

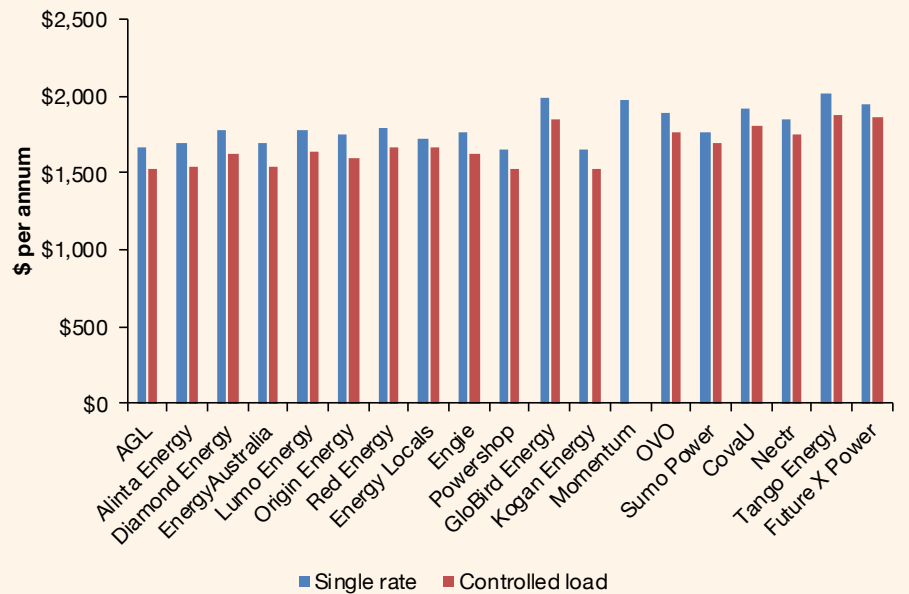
54. The average annual market offer bill for non-solar households, by comparison, has increased by \$40 (or 1%) since last year. See section 2.1.

CHART 16 | Annual bills including discounts and FIT credits for Adelaide customers with 3 kW and 1.5 kW solar systems. Electricity offers post July 2024 as annual bills, Single rate, 6,000kWh (GST inc).⁵⁵



Charts 17 and 18 below show annual bills for Adelaide solar customers on single rate and controlled load offers.

CHART 17 | Annual bills including discounts and FIT credits for Adelaide customers with a 3 kW solar system. Electricity offers post July 2024 as annual bills, single rate and controlled load, 6,000kWh (GST inc).⁵⁶



55. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.

56. Ibid.

CHART 18 | Annual bills including discounts and FIT credits for Adelaide customers with a 1.5 kW solar system. Electricity offers post July 2024 as annual bills, single rate and controlled load, 6,000kWh (GST inc).⁵⁷

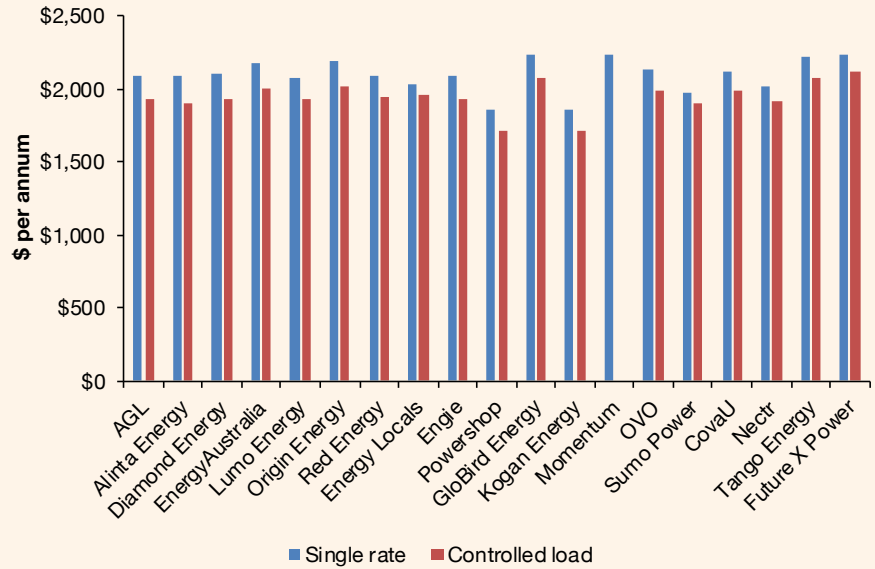


Figure 3 below shows estimated annual bills for solar market offers including FIT and discounts.

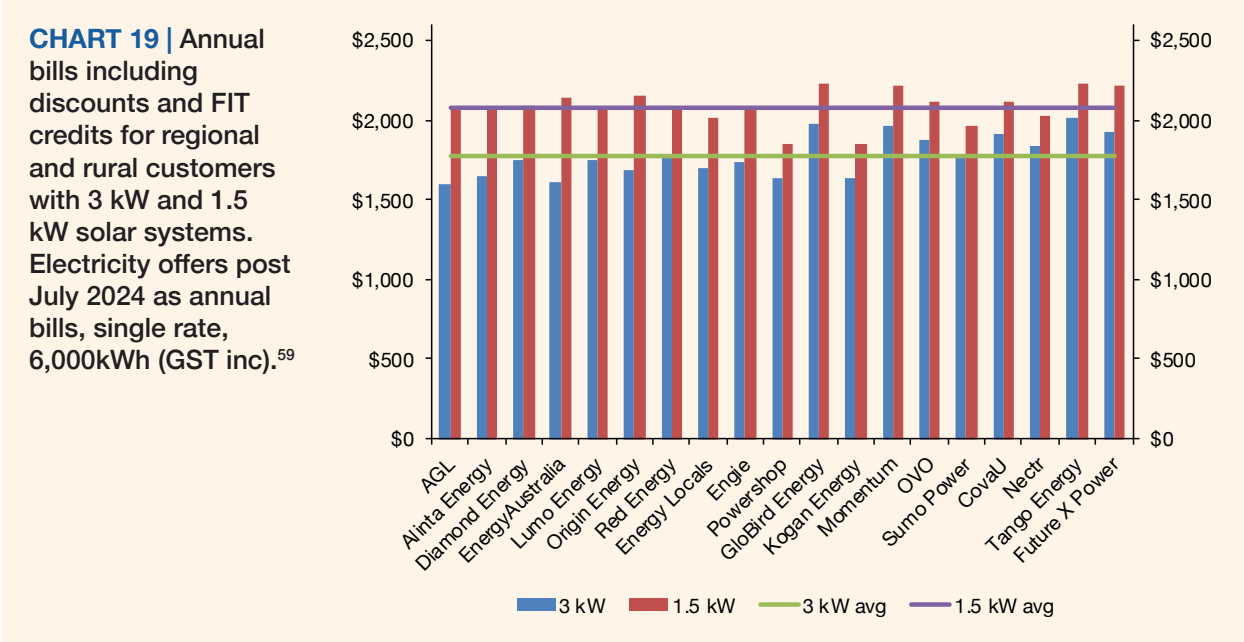
FIGURE 3 | Lowest to highest annual bills (incl GST) for solar market offers post July 2024, including discounts and pay on time discounts – Adelaide households with 3kW systems installed and consuming 6,000kWh annum (including both produced and imported), single rate⁵⁸

	Powershop	\$1,648		Sumo Power	\$1,761		CovaU	\$1,915
	Kogan Energy	\$1,648		Engie	\$1,765		Future X Power	\$1,947
	AGL	\$1,666		Lumo Energy	\$1,771		Momentum	\$1,978
	EnergyAustralia	\$1,689		Diamond Energy	\$1,776		GloBird Energy	\$1,981
	Alinta Energy	\$1,699		Red Energy	\$1,792		Tango Energy	\$2,011
	Energy Locals	\$1,726		Nectr	\$1,840			
	Origin Energy	\$1,745		OVO	\$1,883			

57. Ibid.

58. These market offers were collected on 3 September 2024 and it should be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

Homes outside Adelaide’s metropolitan area will typically have less overshadowing and therefore a higher generation capacity and export rate. Chart 19 compares annual retail bills for solar customers outside Adelaide with 3 kW and 1.5 kW systems installed. It shows that the annual bills for solar customers are marginally lower in non-metropolitan areas and that the price-spread is similar to that in metropolitan areas (see chart 16 above).



59. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.