ACT Energy Prices July 2024

An update report on the ACT Tariff-Tracking Project

St Vincent de Paul Society
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An Update Report on the ACT Tariff-Tracking Project

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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 AER'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 ACT Tariff-Tracking Project

This project has tracked electricity and gas tariffs in the ACT from July 2009 to July 2024 and developed a spreadsheet-based tool that allows consumer advocates to build on the initial analysis while continuing to track changes as they occur.

To analyse changes to energy costs in the ACT, we assume typical household consumption of 48,000MJ per annum for gas, 6,500kWh per annum in electricity consumption for dual fuel households, and 8,000kWh per annum for all-electric households, thereof 30% off-peak for customers with controlled load (off-peak 1).[1]

We have also developed workbooks that allow the user to enter consumption levels and analyse household bills for regulated electricity and gas market offers from July 2009 to July 2023, as well as published electricity and gas market offers post the price resets in July 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024.[2] 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: Regulated electricity offers July 2009-July 2024
Workbook 2: Gas offers July 2009-July 2024
Workbook 3: Electricity market offers July 2013-July 2024
Workbook 4: Gas market offers July 2013-July 2024
Workbook 5: Solar 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. Gas and electricity consumption for dual fuel households is based on a mix of ICRC figures (see ICRC, Compliance and Performance Report for 2010-11, Licensed Electricity, Gas, Water and Sewerage Utilities, November 2012), ACT Government Canberra Quick Stats 2009-2010 and our own estimates. Note, however, that the Tariff-Tracking tool (the workbooks) is designed so users can insert their own consumption levels.
2. All market offers are published offers and do not include special offers that retailers' market through campaigns or brokers. We use the retailers' websites and Energy Made Easy to collect market offers for the Tariff-Tracking tool. If the retailer has more than one market offer, we use the offer with the best rates/discounts that do not require direct debit arrangements.

Key findings

In terms of general trends, the tariff analysis has found that[3]:

- The annual bill for households on **ActewAGL's regulated rate** (single/flat rate tariff) has typically **increased by $350, or 13%,** since July 2023.[4] **See chart 1 in section 1.**
- Households' annual **gas costs have increased by $265,** or 11%, since July 2023. **See table 1 in section 1.**
- When **combining ActewAGL's regulated electricity rate and gas standing offer,** the total cost of energy, for average consumption households, has **increased by 12% (or $560). See chart 3 in section 1.**
- A typical consumption household can **save $720 per annum** on electricity costs by **switching from the regulated rate to ActewAGL's market offer. See chart 6 in section 2.1.**
- The maximum price-spread, **the difference between the best (ActewAGL) and the worst (CovaU) electricity market offers, is currently $710** per annum. **See section 2.1.**
- On average, an **electricity market offer bill (inclusive of discounts) is $2,590** for households using 8,000 kWh and that is a **rise of $300, or 13%, since last year** (July 2023).[5] In terms of changes to individual retailers' bills, **Origin's market offer increased the most (29%) while Red Energy, ActewAGL and Energy Australia's offers increased by 21%, 13% and 6% respectively.**[6] Energy Locals and Nectr's offers have remained unchanged. **See section 2.1.**
- A typical gas consumption household can **save $390 per annum on gas costs by switching from ActewAGL to Red Energy** (including discounts). **See chart 9 in section 2.2.**
- On average (across all retailers), the gas market offer bill has increased by 3% since last year (July 2023). In terms of changes to individual gas retailers' bills, **only ActewAGL and Energy Australia's bills have increased (by 12% and 1% respectively) while Origin and Red Energy's bills have remained unchanged. See section 2.2.**
- **Energy supply charges have increased by 15-26% (depending on metering type) since July 2023. Electricity customers on the flat rate or a time of use tariff now pay around $445 per annum in fixed supply charges while customers on the inclining block tariff will pay approximately $565. The gas supply charge has remained static and ACT households continue pay $305 per annum in order to be connected to natural gas. See section 3.**

3. These calculations are based on changes to the regulated offer for dual fuel customers using 6,500kWh per annum, changes to the regulated offer for all-electric customers using 8,000kWh per annum (thereof 30% off-peak for customers with controlled off-peak load) and ActewAGL's offers for gas customers using 48,000MJ per annum.
4. 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.
5. Note that Amber Electric has been excluded from this analysis (in both 2023 and 2024) as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.
6. This chart only includes retailers that had published market offers post July 2023 as well as July 2024.

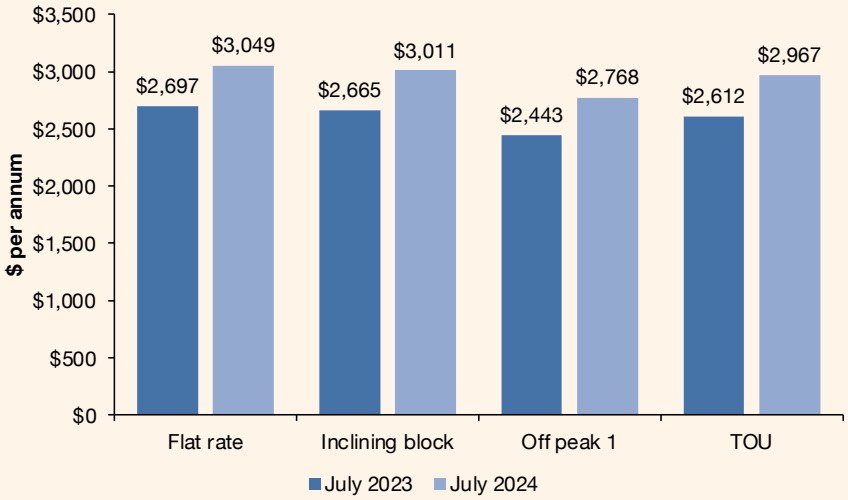
- In July 2024, the **electricity Network Use of System (NUOS) charge increased significantly** and while the standing offer retail bill also increased, the NUOS as a proportion of the bill has gone from less than 20% to 26%. **See section 4.1.**
- The **gas Distribution Use of System (DUOS) charge increased by 10%** and the DUOS continues to account for 22% of the gas bill for an average consumption household. **See section 4.2.**
- The **average annual bill is approximately $1,825 for solar households** with 3kW systems installed. This means that the **average annual bill is $765 less for solar households with 3kW systems installed compared to non-solar households.** **See section 5.**
- Compared to last year (July 2023), **the average market offer for solar customers (3kW systems) has increased by approximately** $290 or 19%.[7] **See section 5.**
- Retailers' FIT rates range from zero to 12 cents per kWh. **A household with a 3kW solar system installed will receive approximately $355 per annum in FIT credits from ActewAGL, Origin and Energy Australia while Red Energy's offer would pay around $150 per annum.**

7. For non-solar households, the average offer increased by $300 or 13%. See section 2.1.

1. Energy price changes from July 2023 to July 2024

Chart 1 below shows increases to the regulated electricity rates from July 2023 to July 2024 for each of the four tariff types. The annual bill for all-electric households with a typical consumption level will range from around $2,770 to $3,050, depending on the tariff type. Average consumption households on a single/flat rate electricity tariff will experience an increase of around $350 (13%) to their annual bill.[8]

CHART 1 | Changes to the annual cost of regulated electricity offers for all-electric households from 2023 to 2024, based on annual consumption level of 8,000kWh, GST inclusive.[9]



Gas prices increased on 1 July 2024. A household using 48,000MJ per annum will have an annual gas bill of around $2,660 which is $265 (11%) more than last year.

Charts 2 and 3 below show changes in electricity and gas costs for dual fuel households. As these households typically use less electricity compared to all-electric households, any changes to the electricity bill will naturally be lower. Typical consumption dual fuel customers can expect an increase of around $295, or 13%, to their annual electricity cost (chart 2). When combining the electricity and gas costs, the total cost of energy, for average consumption households on a single/flat rate electricity tariff has increased by 12% or around $560 (see chart 3).[10]

8. 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.
9. Thereof 30% off-peak and 70% flat rate for households with controlled load (off-peak 1) and 20% peak, 50% shoulder and 30% off-peak for households on a Time of Use (TOU) tariff.
10. Based on annual consumption of 6,500kWh on a single/flat rate tariff.

CHART 2 | Changes to the annual cost of regulated electricity offers for dual fuel households from 2023 to 2024, based on annual consumption level of 6,500kWh, GST inclusive.[11]

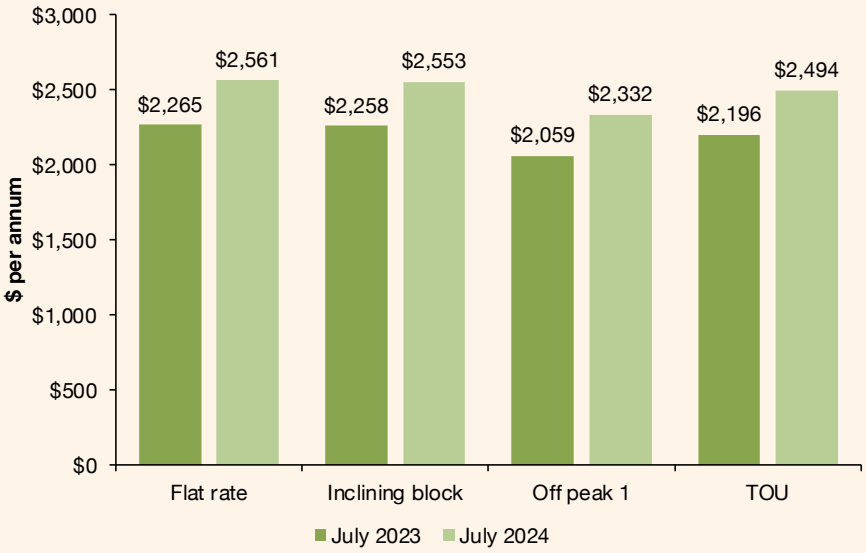


CHART 3 | Changes to the annual cost for dual fuel customers and gas only from 2023 to 2024, dual fuel based on 6,500kWh (flat rate) and 48,000MJ per annum, GST inclusive.[12]

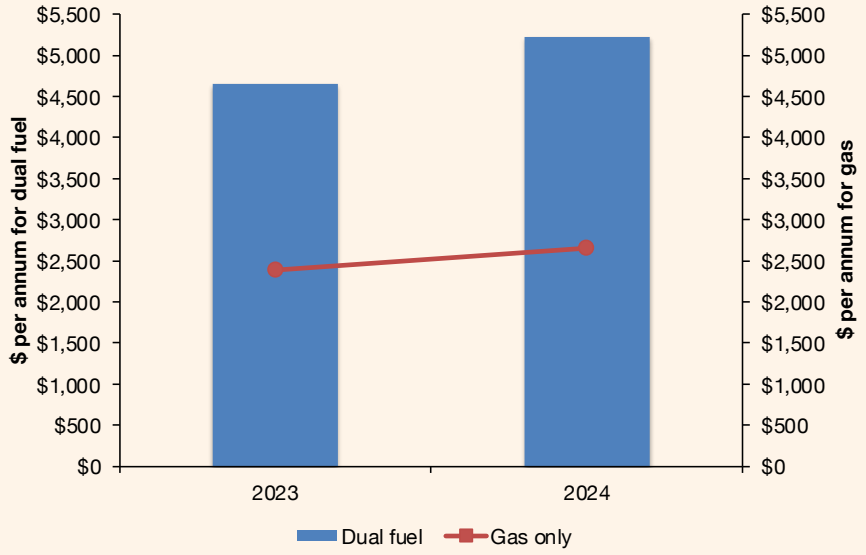


Table 1 below highlights the price trends for electricity and gas offers in the ACT from 2023 to 2024.

TABLE 1 | Electricity (single rate) and gas price changes from July 2023 – July 2024[13]

	All-electric (8,000kWh)	Gas (48,000MJ)	Dual fuel (6,500kWh + 48,000MJ)
$ Change	$350	$265	$560
% Change	13%	11%	12%

11. Thereof 30% off-peak and 70% flat rate for households with controlled load (off-peak 1) and 20% peak, 50% shoulder and 30% off-peak for households on a Time of Use (TOU) tariff.
12. Based on ActewAGL's gas rates only.
13. 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.

2. Regulated vs. market offers post July 2024

Since the introduction of full retail competition in the ACT energy retail market in 2003, households have been able to choose between regulated and market offers.[14] Host retailer ActewAGL, along with EnergyAustralia, Origin Energy, Red Energy, Energy Locals, Nectr and CovaU are offering market contracts to residential electricity customers. A majority of customers continues to be with ActewAGL, which currently has around 74% of the market share in the ACT electricity market. [15] For gas, there continues to be only four retailers in the ACT (ActewAGL, Energy Australia, Origin Energy and Red Energy) and ActewAGL has approximately 76% of the market share.[16]

The electricity price-spread (or the maximum difference between offers) is currently around $710 per annum. This saving may be obtained by switching from CovaU to ActewAGL.[17] The maximum potential saving for gas is around $390 (by switching from ActewAGL to Red Energy's offer).[18]

2.1 Electricity: Regulated vs. market offers post July 2024[19]

Chart 4 below shows that households using 8,000kWh per annum (flat rate) will have an annual electricity bill of between $2,330 and $3,035, and that all retailers offer lower rates than the regulated rate (when calculated as annual bills and noting that this chart is based on rates prior to additional discounts).

CHART 4 | Electricity offers as annual bills, post July 2024, Flat rate, not including discounts, 8,000 kWh per annum (GST incl).

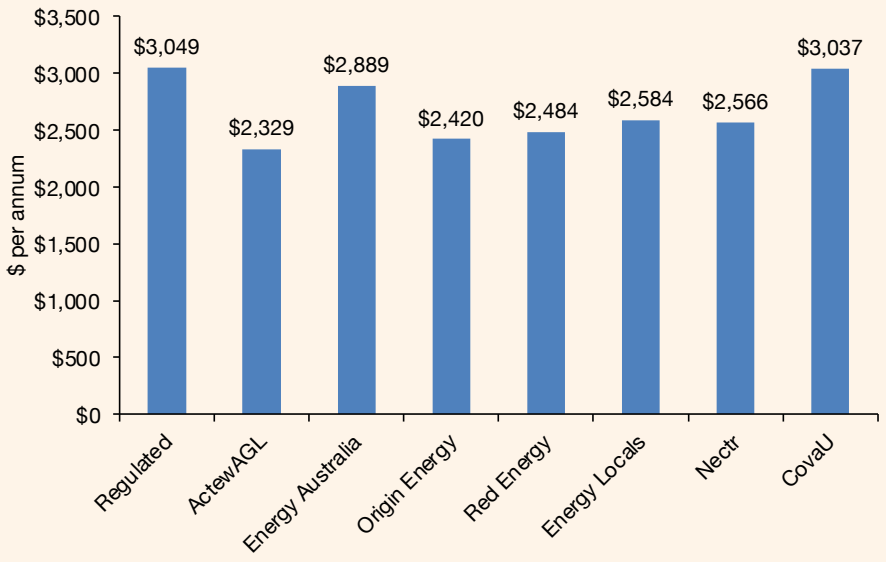
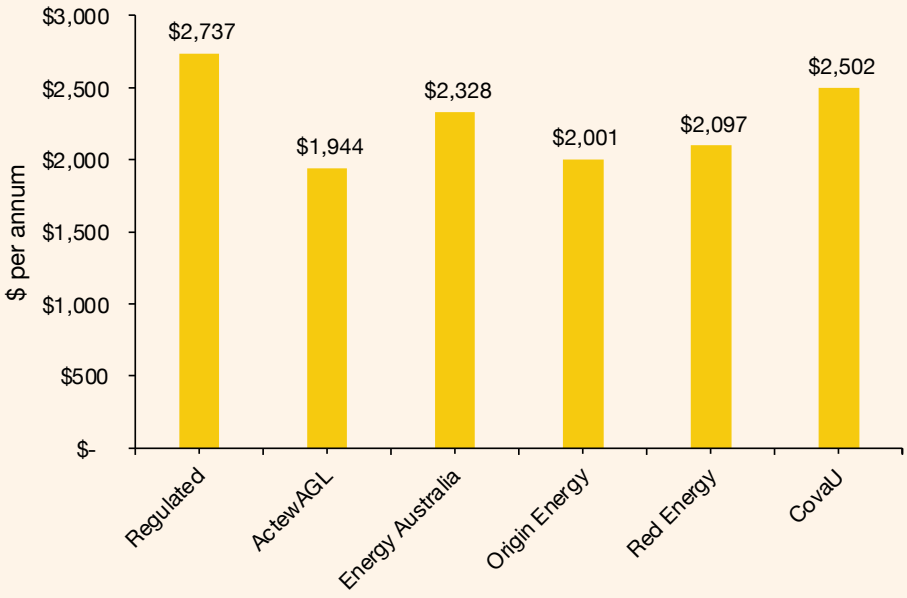


Chart 5 below shows households with controlled off-peak load will have an annual electricity bill of between $1,945 and $2,500, and that five retailers offer lower rates than the regulated rates (when calculated as annual bills and noting that this chart is based on rates prior to additional discounts).

14. Also referred to as franchise customers (those on the regulated rate and non-franchise customers (those on a negotiated market contract). Note that gas retail prices are not regulated.
15. AER, data for the Retail energy market performance update for Quarter 2, 2023-24, Indicators s2.1.ai, s2.2.ai and s2.6.
16. AER, data for the Retail energy market performance update for Quarter 2, 2023-24, Indicators s2.1.bi, s2.2.bi and 2.6.
17. Note that Amber Electric has been excluded from this analysis as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.
18. Based on an annual consumption of 8,000 kWh/annum for electricity (single rate) and 48,000 MJ for gas. Market offers inclusive of guaranteed and pay on time discounts.
19. These market offers were collected from the retailers' websites or from Energy Made Easy on 22 July 2024. The effective from date for these offers is listed in Table 2. It should be noted that retailers can change their rates at any time.

CHART 5 | Electricity offers as annual bills, post July 2024, controlled load, not including discounts, 8,000kWh per annum, thereof 30% off-peak (GST incl).



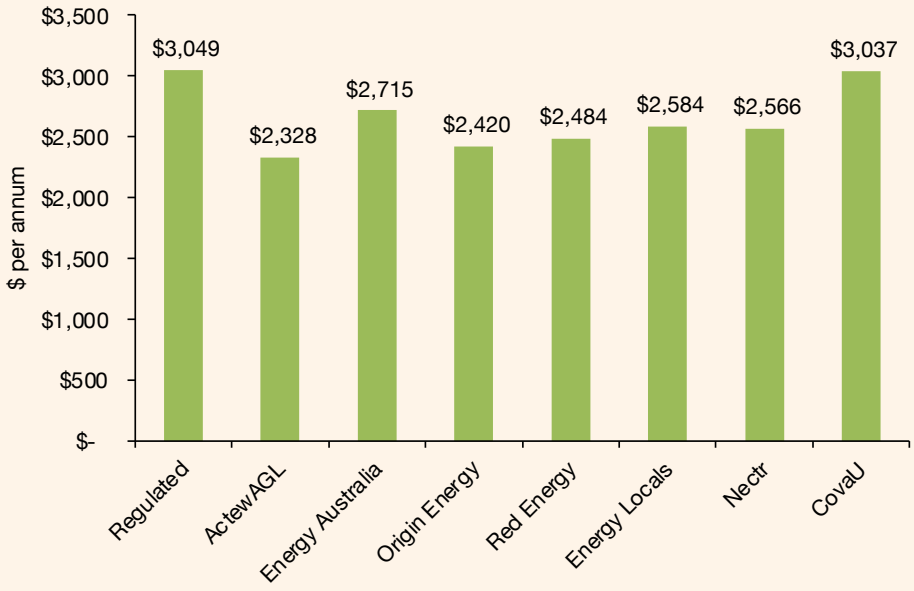
As stated above, the calculations for the market offers in charts 4 and 5 are based on rates only (cost per kWh and fixed charges) and do not include other market offer features such as discounts on consumption rates and welcome credits.

Consumers assessing market offers should take these additional features into account as well as being aware of contract conditions such as late payment fees, the length of the contract, potential fees for exiting the contract early as well as shorter billing cycles.

Chart 6 below shows annual bills after including additional guaranteed discounts and conditional pay on time discounts. It shows that average consumption (8,000kWh) households currently on ActewAGL's regulated rate can save around $720 per annum by switching to ActewAGL's market offer. On average, a market offer bill (inclusive of discounts) is around $2,590 for households based on the assumed consumption level, which is an increase of $300, or 13%, since last year (July 2023).[20]

20. 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.

CHART 6 | Annual bills including discounts. Electricity offers post July 2024 as annual bills, flat rate, 8,000kWh (GST incl).[21]



The discounts used to estimate the annual bills for chart 6 above are shown in table 2 below. Table 2 also shows other contract terms and features associated with these market offers. Several retailers have multiple market offers and the offers with the best rates/discounts that do not require direct debit arrangements have been included here. In recent years many electricity retailers have moved away from pay on time discounts to offer a guaranteed discount or no discount at all. This trend has continued in July 2024 and only one electricity retailer currently offers a discounted market offer.

There is also one retailer (Energy Locals) that has an offer that includes a membership fee. When analysing offers that include a membership fee, we have added this amount to the fixed supply charge.

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

TABLE 2 | Published electricity market offers taking effect after 1 July 2024: Key additional features and contract conditions.

Retailer	Name	Guaranteed discount	Pay on time discount	Contract term/ benefit period	LPF*	ETF*	Shortened billing cycle^	Effective from
ActewAGL	Capital City Plan	No	No	12 months	$15	No	No	1/7/24
Energy Australia	Flexi Plan	6% off bill	No	12 months	$12	No	No	5/7/24
Origin Energy	Go Variable	No	No	12 months	$12	No	No	5/7/24
Red Energy	Living Energy Saver	No	No	No	$0	No	No	8/7/24
Energy Locals	Local Member	No	No	No	$16	No	No	9/7/24
Nectr	100% Clean	No	No	No	$0	No	Yes	16/7/24
CovaU	Basics	No	No	No	$0	No	No	1/7/24

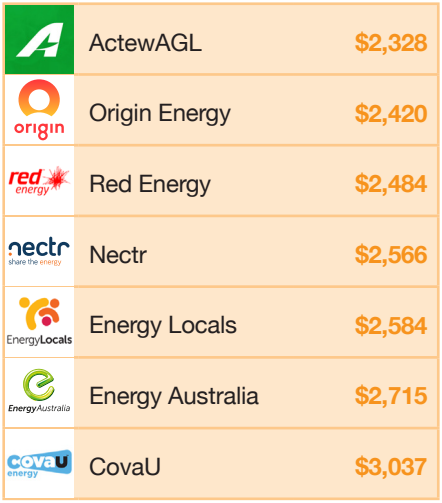
** ETF = Early Termination Fee and LPF = Late Payment Fee*

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)

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

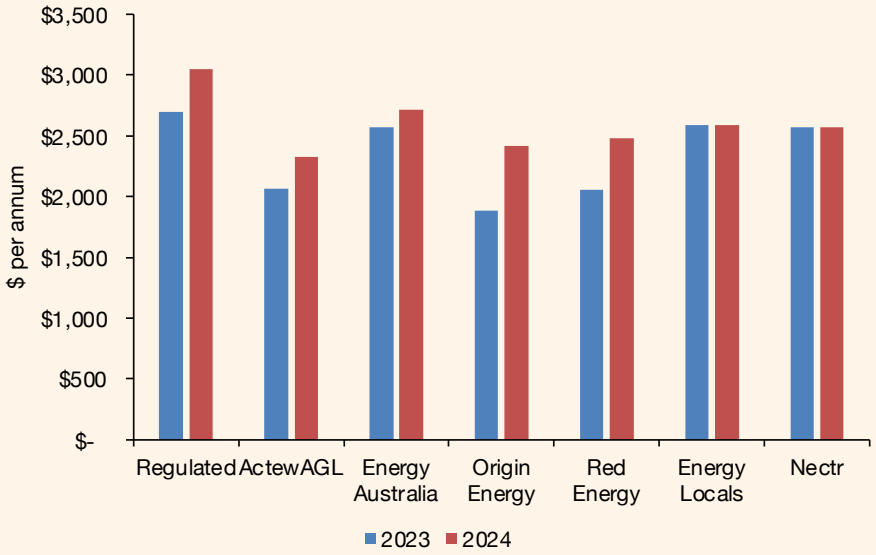
FIGURE 1 | Lowest to highest annual bills (incl GST) for market offers post July 2024, including discounts and pay on time discounts - Households consuming 8,000kWh per annum (single rate)



As discussed above, the average market offer (across all retailers) has increased by 13% since last year. Chart 7 below shows changes to individual electricity retailers' offers from 2023 to 2024 and it shows that Origin's market offer increased the most (29%) while Red Energy, ActewAGL and Energy Australia's offers increased by 21%, 13% and 6% respectively.[22] Energy Locals and Nectr's offers have remained unchanged.

22. This chart only includes retailers that had published market offers post July 2023 as well as July 2024.

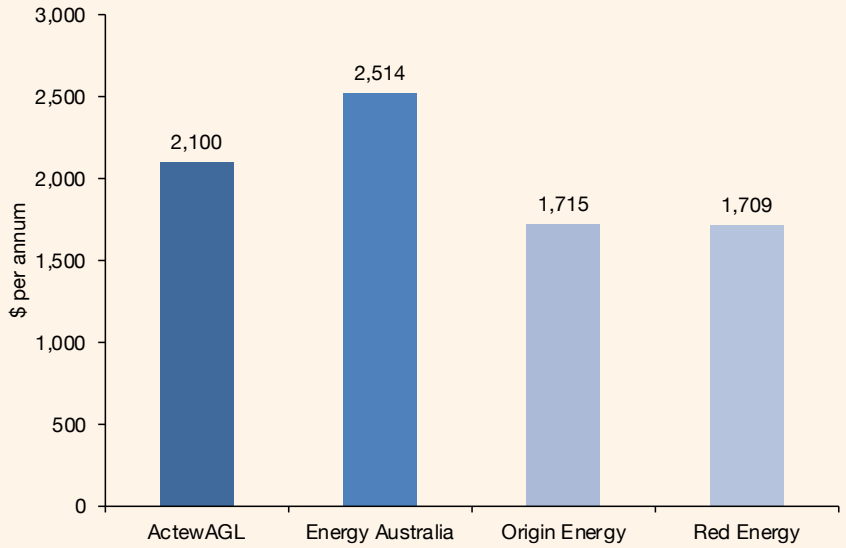
CHART 7 | Electricity offers post July 2022 and July 2023. Annual bills including discounts, flat rate, 8,000kWh (GST incl).



2.2 Gas market offers post July 2024[23]

There are no regulated gas offers in the ACT and only Energy Australia, Origin Energy, Red Energy and ActewAGL currently have gas market offers for residential consumers. Chart 8 below shows that Red Energy has the lowest rates while Energy Australia's rates are highest (excluding additional discounts).

CHART 8 | Gas offers post July 2024, as annual bills (48,000MJ per annum).

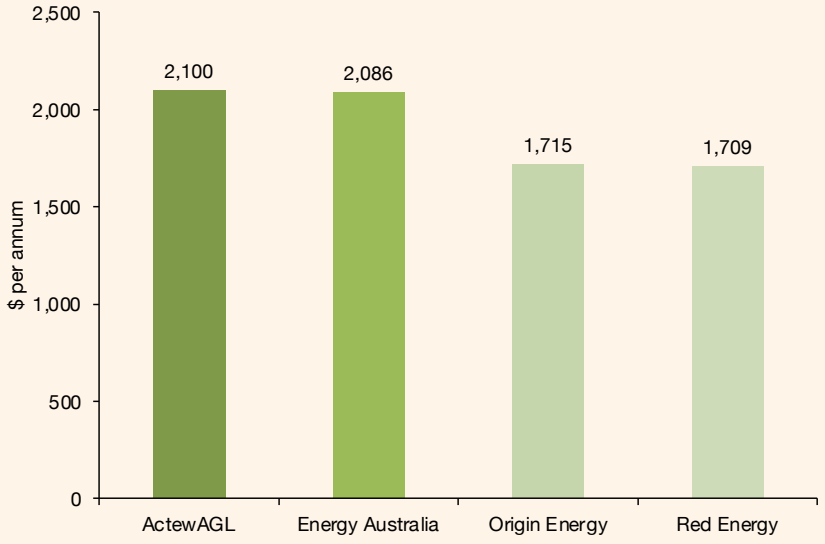


However, the calculations for the above market offers are based on their rates only (cost per MJ and fixed charges) and do not include other market offer features such as guaranteed discounts. Customers assessing gas market offers should take additional features into account as well as being aware of contract conditions such as late payment fees, the length of the contract and fees for exiting the contract early.

23. These market offers were collected from the retailers' websites or from Energy Made Easy on 22 July 2024. The effective from date for these offers is listed in Table 3. It should be noted that retailers can change their rates at any time.

Chart 9 below shows annual bills after including additional discounts. It shows that only Energy Australia currently discounts their offer. This produces a saving of around $425 per annum but Energy Australia's offer is still the 2nd most expensive. Typical consumption gas customers switching from ActewAGL to Red Energy can save around $390 per annum. On average, a market offer bill (inclusive of discounts) is around $1,905, which is 3% more than last year (July 2023).[24]

CHART 9 | Annual bills including discounts. Gas offers post July 2024 as annual bills, 48,000MJ (GST incl).[25]



The discounts used to estimate the annual bills for chart 9 above are shown in table 3 below. Table 3 also shows other contract terms and features, such as early termination fees, associated with these market offers.

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

Retailer	Name	Guaranteed discount	Pay on time discount	Contract term/benefit period	LPF*	ETF*	Effective from
ActewAGL	Capital City	No	No	12 months	$15	No	2/7/24
EnergyAustralia	Flex Plan	17% off bill	No	12 months	$12	No	15/7/24
Origin Energy	Go Variable	No	No	12 months	$12	No	5/7/24
Red Energy	Living Energy Saver	No	No	No	$0	No	1/7/24

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

The difference between the best and the worst gas market offer is significant. Red Energy's offer is $390 less than ActewAGL's market offer post discounts for households with this consumption level. Figure 2 below shows estimated annual bills for market offers post discounts as well as how they ranked compared to other retailers.

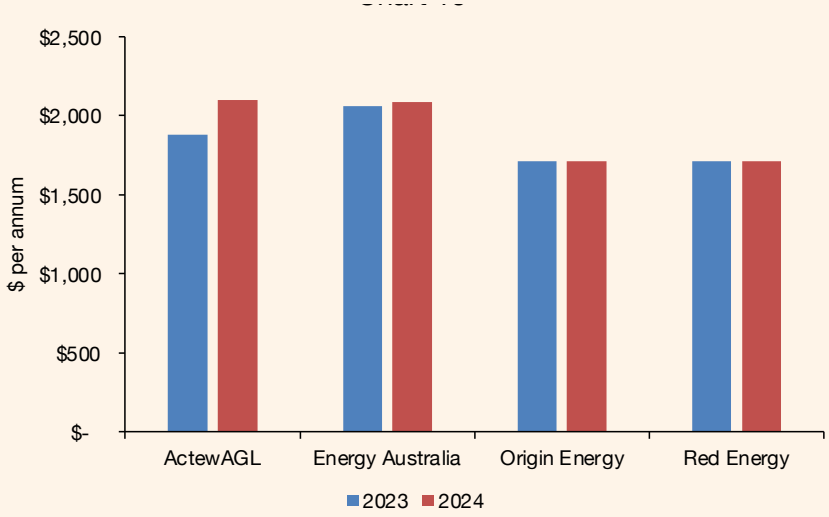
24. Note that these calculations are based on retail offers only and do not take government assistance such as the Energy Bill Relief Fund into account.
25. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.

FIGURE 2 | Lowest to highest annual bills (incl GST) for market offers post July 2024, including discounts and pay on time discounts - Households consuming 48,000MJ per annum

red energy	Red Energy	$1,709
origin	Origin Energy	$1,715
Energy Australia	Energy Australia	$2,086
	ActewAGL	$2,100

As discussed above, the average market offer (across all retailers) has increased by 3% since last year. However, only ActewAGL and Energy Australia's bills have increased while Origin and Red Energy's bills have remained unchanged. Chart 10 below shows changes to individual gas retailers' offers from 2023 to 2024. It shows that ActewAGL's market offer increased by 12% and Energy Australia's by 1%.

CHART 10 | Gas offers post July 2023 and July 2024. Annual bills including discounts, 48,000MJ (GST incl).

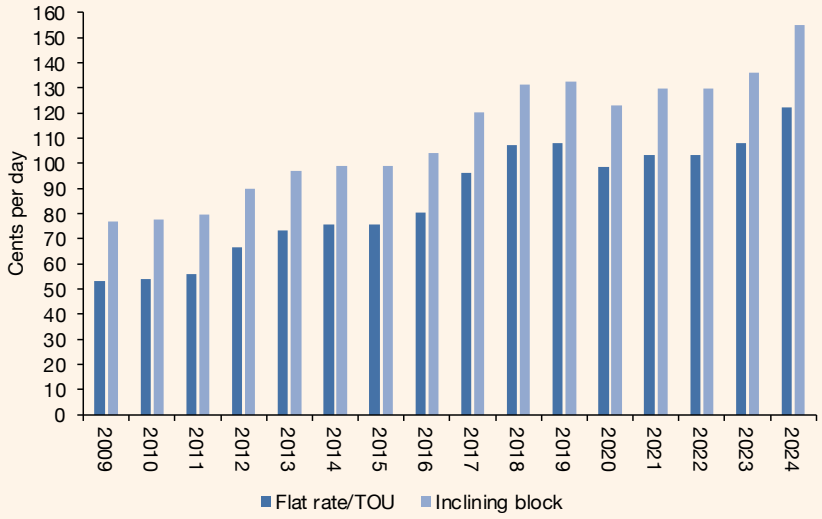


3. Supply charges

3.1 Electricity supply charges

The supply charge is a fixed daily charge that is paid in addition to the consumption charges for electricity used. In the ACT the supply charge for electricity customers on the flat rate (and the less common TOU rate) has increased by 130% since July 2009, while the overall higher supply charge for the inclining block tariff has increased by around 102%. In the July 2024 price-set the regulated supply charge for flat and TOU rate increased by 15% and the supply charge for inclining block tariff customers increased by 26%. Customers on the flat rate or a TOU tariff will now pay around $445 per annum in fixed supply charges while customers on the inclining block tariff will pay $565. Chart 11 below shows the changes to the daily supply charges for regulated electricity rates from July 2009 to July 2024.

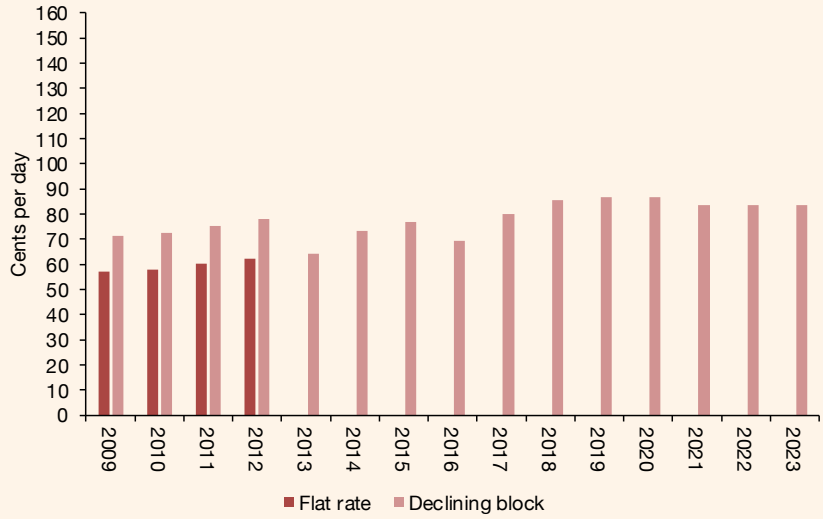
CHART 11 | Daily supply charge (incl GST), regulated electricity offers, 2009 to 2024



3.2 Gas supply charges

ActewAGL's gas supply charge has not changed over the last three years (since July 2021). ACT households continues to pay $305 per annum in order to be connected to natural gas. Chart 12 below shows gas supply charges from July 2009 to July 2024.

CHART 12 | ActewAGL's gas supply charges from 2009 to 2024, cents per day (incl GST).[26]



26. ActewAGL merged their tariff products to a single gas offer in 2013. Note: The declining block tariff was actually an inclining block in 2009 and 2010.

4. Network charges

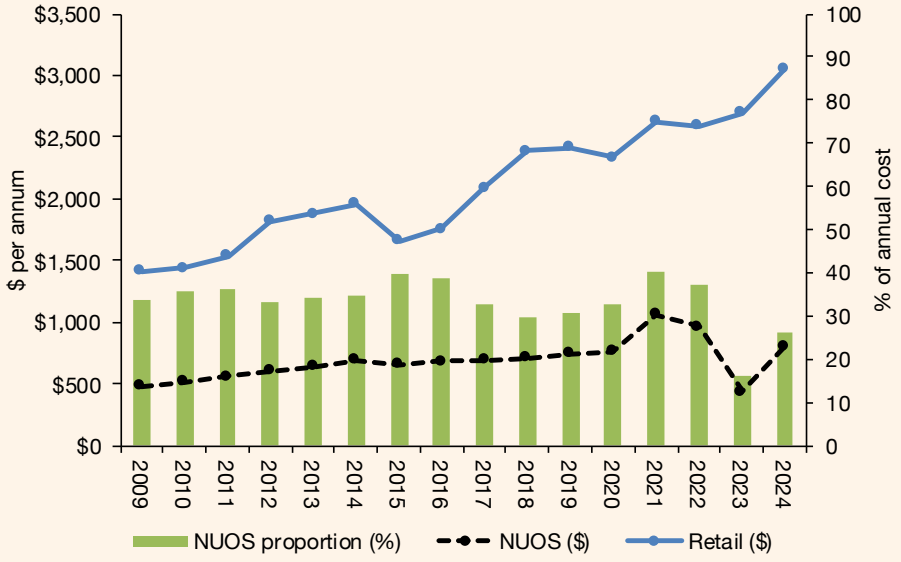
This section examines changes to electricity network charges since 2009 and gas distribution charges since 2020.

4.1 Electricity network charges

The ACT electricity network, Evoenergy, 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 in some cases, metering charges. The retailers can, and generally will, build changes to the NUOS (in relation to both shape and price) into their market retail tariffs. As the ACT also has a regulated retail offer, the Independent Competition and Regulatory Commission (ICRC) also changes the regulated retail rate to reflect changes to the NUOS.

Chart 13 shows annual retail bills (solid line), NUOS charges as annual cost (dotted line) and NUOS as proportion of annual bill (columns). It shows that the NUOS charge increased significantly in July 2024 and while the standing offer retail bill also increased, the NUOS as a proportion of the bill has gone from below 20% to 26%.[27]

CHART 13 | Electricity retail bill per annum (incl. GST), NUOS charges and NUOS as proportion of total bill (incl. GST) from 2009 to 2024 (based on the regulated retail tariff, single rate, 8,000kWh per annum)[28]



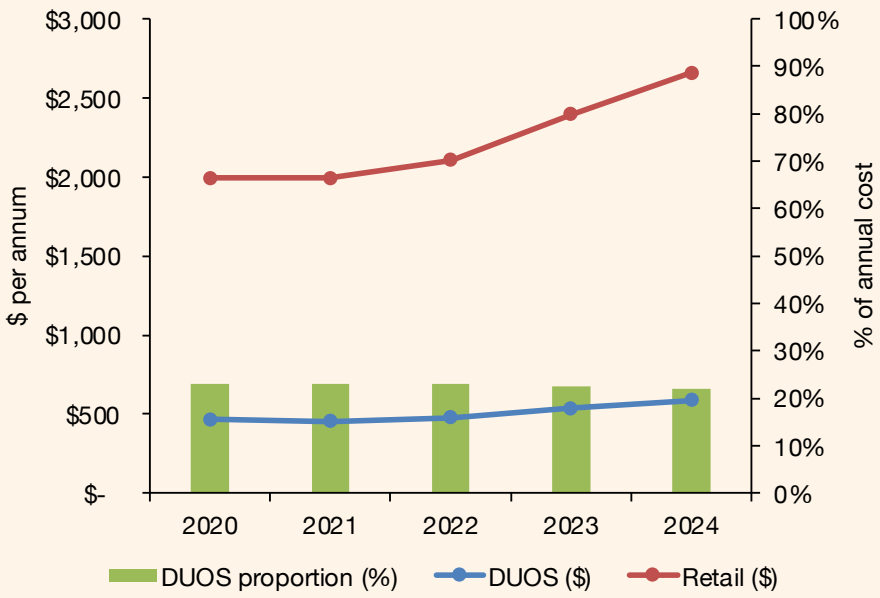
27. Note that Evoenergy had two types of metering charges between July 2015 and July 2024: the metering non-capital charge and the metering capital charge. Only the non-capital metering charge is included in the NUOS calculations from July 2015 to July 2023. Since 1 July 2024, these charges have been replaced by a single metering charge. These metering charges have been included in the fixed supply charge when calculating the NUOS. Note that the cost of jurisdictional schemes (such as 'green' schemes) is not included in these NUOS charges.
28. Based on the regulated rates from 2009 to 2024, presented as annual bills for households using 8,000kWh per annum (flat rate). The annual NUOS charges have been calculated by allocating 2,000kWh per quarter (again based on annual consumption of 8,000kWh) to the step charges stipulated in the NUOS. The annual NUOS cost also includes fixed charges.

4.2 Gas distribution charges

As for electricity, the ACT gas distributor, EvoEnergy, introduces new Distribution Use of System (DUOS) charges as of 1 July every year. A new addition to the Tariff-Tracking project in 2020 was to analyse changes to gas DUOS charges. In the EvoEnergy network, the current DUOS charge for households using 48,000MJ is almost $590 per annum and it has increased by 10% since last year (July 2023). The DUOS proportion of gas retail bills has remained unchanged at 22%.[29]

Chart 14 shows annual retail bills (red line), DUOS charges as annual cost (blue line) and DUOS as proportion of annual bill (columns).

CHART 14 | Gas retail bill per annum (incl. GST), DUOS charges and DUOS as proportion of total bill (incl. GST) from 2020 to 2024 (based on the standard retail rate, 48,000 MJ per annum)



29. Based on ActewAGL's gas offer as of July 2024. Presented as annual bills for households using 48,000 MJ per annum

5. Solar offers[30]

There are approximately 56,300 small and medium scale solar systems in the ACT.[31] Customers looking for solar electricity retail offers should assess both the retailers' Feed in tariff (FIT) rates as well as the cost of electricity imported.

This section analyses and compares market offer bills for ACT customers with 1.5kW and 3kW systems installed.[32] 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 8,000kWh (including both produced and imported).
- Calculations have been produced for households with 1.5kW and 3kW systems only.
- An annual generation capacity per kW installed of 1.801MWh and an export rate of 55.1% for 3kW systems and 27.3% for 1.5kW systems.
- Only FIT rates available to new customers have been included. Retailer funded FIT rates have been applied as per offer (see table 4 below).
- For tariffs with controlled load, 30% of the total load has been allocated to the off-peak rate.
- For TOU tariffs, 20% of the load has been allocated to the peak rate, 30% to the off-peak rate and 50% to the shoulder rate.
- 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.

30. These market offers were collected from the retailers' websites or from Energy Made Easy on 22 July 2024. It should be noted that retailers can change their rates at any time. Note that Amber Electric has been excluded from this analysis as its published market offer is based on a maximum price for usage instead of the wholesale market rates actually charged.
31. Australian Energy Council, Solar Report, Quarter 1 2024, 3.
32. 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 below shows that FIT rates range from zero to 12 cents per kWh. Based on the assumptions listed above, a household with a 3kW solar system installed will receive approximately $355 per annum in FIT credits from ActewAGL, Origin and Energy Australia while Red Energy's offer would pay around $150 per annum.

TABLE 4 | Retailers' FIT rates as of July 2023.

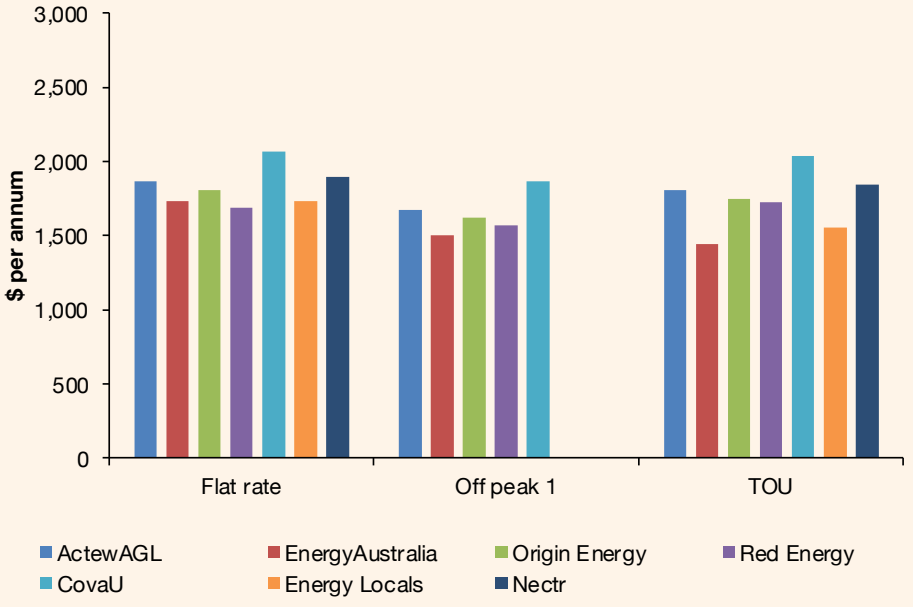
Retailer	FIT rate (¢/kWh)
ActewAGL - Solar Saver	12*
Origin Energy - Solar Boost	12**
Energy Australia - Solar Max	12^
Energy Locals - Local Member	7^^
CovaU - Basic	5.5
Red Energy - Living Energy Saver	5
Nectr - 100% Clean	4.4

** For the first 1365 kWh exported each quarter. Export after that attracts an 8c FIT*
*** For the first 1274 kWh exported each quarter. Export after that attracts a 10c FIT*
^ For the first 1365 kWh exported each quarter. Export after that attracts a 7.6c FIT
^^ For the first 728 kWh exported each quarter. Export after that attracts a 3c FIT

The average annual bill is approximately $1,825 for households with 3kW systems and $2,255 for households with 1.5kW systems installed. This means that the average annual bill is around $765 less for solar households with 3kW systems installed compared to non-solar households (see section 2.1 above).[33] Compared to last year, the average market offer for solar customers (3kW systems) has increased by approximately $290 or 19%.[34]

Based on the assumptions outlined above, solar customers on a flat electricity rate with a 3kW system installed would pay approximately $375 less per annum on Red Energy's offer compared to CovaU's offer (see chart 15).

CHART 15 | Annual bills including discounts and FIT credits for customers with a 3kW solar system. Electricity offers post July 2024 as annual bills, Flat rate, Off peak 1 and ToU, 8,000kWh (GST incl).[35]



33. This comparison is based on the average market offer for non-solar customers (inclusive of discounts) and the average market offer for solar customers (inclusive of discounts) using 8,000kWh per annum (flat rate).
34. For non-solar households, the average offer increased by $300 or 13%. See section 2.1.
35. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill.

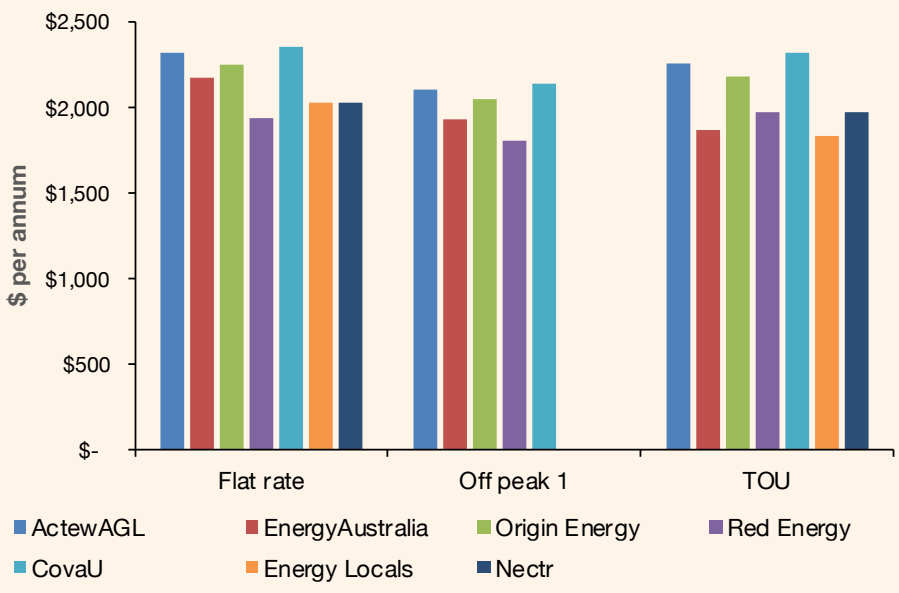
Figure 3 below shows estimated annual bills for market offers (flat rate) post discounts as well as how they ranked compared to other retailers.

FIGURE 3 | Lowest to highest annual bills (incl GST) for solar market offers post July 2024, including FIT credits, discounts and pay on time discounts - Households consuming 8,000kWh per annum (single rate), 3kW system

Red Energy	$1,690
EnergyAustralia	$1,732
Energy Locals	$1,736
Origin Energy	$1,807
ActewAGL	$1,866
Nectr	$1,897
CovaU	$2,064

Households with the same consumption level and a 1.5kW system installed can expect to receive approximately $90 in FIT credits per annum from ActewAGL, Origin and Energy Australia while Red Energy's offer would pay around $35 per annum. CovaU's annual bill is the most expensive and Red Energy's is the least expensive (based on the assumptions outlined above). The difference between these two offers is approximately $415 per annum (see chart 16).

CHART 16 | Annual bills including discounts and FIT credits for customers with a 1.5kW solar system. Electricity offers post July 2024 as annual bills, Flat rate, Off peak 1 and ToU, 8,000kWh (GST incl).[36]



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