

## Ministerial Media Statements

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#### **Recent Statements**



Colin Barnett
Premier; Minister for State Development



Peter Collier Minister for Energy; Training and Workforce Development; Indigenous Affairs

Mon 08 March, 2010

# State Government announces increases in tariff arrangements

### Portfolio: Energy, Premier

Premier Colin Barnett and Energy Minister Peter Collier today announced increases in the State's electricity retail tariffs and on the cap for gas tariffs.

Householders could expect a 7.5 per cent rise in electricity prices from April 1, followed by a further 10 per cent on July 1, which is significantly lower than Budget assumptions for 2010 of 25.9 per cent.

The average weekly cost increase for consumers would be \$4.13 from July 1, but those facing financial hardship would pay an average of \$2.78 more a week.

Similar tariff rises would apply to small businesses, with an average weekly increase of \$7.29 from July 1. This followed a recommendation to increase the amount by 22.1 per cent in 2010.

The State Government also accepted Alinta's proposal to raise the cap for gas tariffs for residential and small business customers in the Mid-West/South-West, Kalgoorlie-Boulder and Albany regions.

The new increases will be seven per cent for residential customers and 6.5 per cent for small business, with the exception of Albany where increases will be 10 per cent.

Alinta made the case that changes to the retail tariff cap were needed to ensure householders and businesses were provided with reliable and sustainable gas supplies in the longer term.

"This Government has been forced to make a difficult decision because Eric Ripper botched the break-up of Western Power," the Premier said.

"Labor's approach to the situation was to take money that should have been used for hospitals, schools, police, children and seniors and instead spend it on propping up inefficient energy generation.

"This Government will increase tariffs responsibly to ensure the lights stay on, while also considering the financial pressure many families are already under."

Mr Collier said the tariff cap increase was a recommendation of an interim review undertaken by the Office of Energy ahead of the completion of the Gas Tariffs Review, established by the previous Labor government.

"We are mindful that price increases are impacting on West Australian householders, particularly struggling families, which is why we provided an additional \$12.6million in rebates and hardship measures last year to offset electricity prices," Mr Collier said.

"Alinta also offers assistance to customers in hardship.

"These families will once again be a priority, with rebates increasing in line with electricity tariff rises."

More than \$16.8million will be available through rebates and hardship assistance measures.

Payments provided through the Hardship Utilities Grant Scheme (HUGS) will increase from \$380 to \$408 from April 1 and \$450 from July 1 for households in the State's south, while payments for households north of the 26th parallel will rise from \$633 to \$680 from April 1 and \$750 from July 1.

Other assistance measures are also available, including the Fridge Replacement Program; Hardship Efficiency Program; Public Housing Energy Efficiency Program; Solar Hot Water Scheme; and delivery of Hardship and Energy Efficiency Programs in regional locations.

Additional hardship measures include providing efficient water heating in public and community housing, and increasing the number of financial counsellors funded through the HUGS program.

In addition, the Office of Energy will undertake work this year to consider alternative retail tariff structures for residential customers to reduce the financial impact on low-income households and a more equitable concession framework.

A considerable package of rebates provided to eligible customers includes additional funding for air conditioning payments and those with dependent children.

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