

# THE PRICE OF POWER

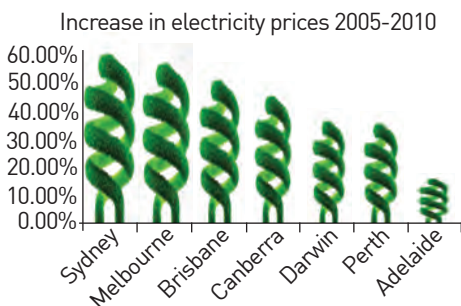


**The cost of electricity continues to be front page news and is placing stress on household budgets. If you are feeling the heat, you are not alone. We'd like to help you identify a few key areas related to your household's energy bill including:**

- how much costs have risen,
- the main areas of energy consumption in households across Australia, and
- the appliances that are costing you the most to run.

## Increasing costs

It is no wonder we are feeling the squeeze. According to the Australian Bureau of Statistics, over the last five years electricity costs have risen from 16% in Adelaide to a massive 60% in Sydney – between 5 to 21 times the inflation rate!



Source: ABS, Catalogue number 6401.0

## Reasons for rise

- Old energy infrastructure across the country needs to be upgraded due to neglect from a lack of funds over the past few decades.
- The introduction of renewable energy initiatives.

## Main areas of energy consumption

As energy costs continue to rise throughout Australia, we should all be looking for ways to reduce our usage and therefore our bills. By understanding the areas of your household that consume the most energy, you can begin to take positive action to reduce the impact these bills have on your household budget.

Heating and cooling	36%
Water heating	24%
Other appliances	20%
Fridge and freezer	7%
Lighting	7%
Cooking	6%

Source: Energy Australia

The above chart gives you a good idea of the general areas that are responsible for the greatest percentage of energy use, helping to identify the areas that we need to look at. Some general tips to reduce costs for these areas are:

- Reduce length of showers. Many newer electric hot water services have a 'booster' system, which means even if they are on an off peak service, the booster cuts in throughout the peak period topping up the system and increasing your bill.
- Wash clothes using cold water.
- Choose appropriate thermostat settings on your reverse cycle air conditioning (20°C for winter heating and 25°C for summer cooling). Varying the thermostat by as little as 1°C can have up to 10% impact on costs.

## Which appliances cost the most?

To really drive home the impact energy costs have on your household budget it is useful to look at how much your appliances are costing you in real terms:

Appliance	\$ Cost per quarter
Pool heater (heat pump)	434
Ducted air conditioning	268
Wall mounted air conditioning	166
Electric storage hot water unit	150
Pool pump	95
Pool heater (solar)	48
New refrigerator 500 litre	30
400 litre freezer	30
Salt water chlorinator	26
Plasma TV	20
Bar fridge	15
Large LCD TV	10

Model, age and use can influence running costs. Estimated costs are based on Energy Australia's domestic all time tariff for 2010-2011 for NSW.

In short, there is not much you can do to avoid these rises, however being able to identify where your major costs are likely to come from may help reduce them! Save money on your energy bill by choosing a cheaper gas or electricity provider or ask your existing provider for a better deal. There are plenty of free comparison websites available to help you compare costs for providers in your area.

