



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

Minister for the Central Coast

MEDIA RELEASE

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NSW GOVERNMENT'S NETWORK REFORM DELIVERS SAVINGS

Energy Minister Chris Hartcher has today welcomed the Auditor-General's *Electricity Industry Overview* report which highlights significant savings made by the State's three network distribution business.

The report found savings in capital expenditure and operating costs across Ausgrid, Endeavour Energy and Essential Energy of \$1.4 billion over the past two years (2011/12 and 12/13), exceeding the NSW Government's target of \$400 million over four years.

"This is \$1.4 billion in costs which will not be passed on to households and small businesses struggling with power bills," Mr Hartcher said.

"The O'Farrell Government came to office acutely aware of the impact of rising electricity prices and committed to doing everything possible to prevent the types of price rises delivered under the former Labor Government's policy settings.

"We set out on a network reform agenda to put an end to Labor's legacy of double-digit price hikes and this has delivered, with 1 July 2013 marking a turning point for electricity prices and for NSW electricity consumers.

"Regulated prices set by the Independent Pricing and Regulatory Tribunal (IPART) increased an average of just 1.7% for 2013/14, compared with 18% last year.

"Amended reliability standards to be introduced from 1 July 2014 will wind-up the former Labor Government's over-investment in the electricity network so that investment will now be delivered only when necessary and only when appropriate."

Mr Hartcher said the NSW Government is committed to continue easing the cost of living pressures facing households and businesses across NSW.

"More than 800,000 rebates were paid to eligible families and households in 2012/13 from the Government's Family Energy Rebate and Low Income Household Rebate which rose to \$125 and \$225 respectively from 1 July."

"The money is there, the assistance is available and the Government wants eligible households to take advantage of this funding," Mr Hartcher said.