



The Hon Chris Hartcher
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MEDIA RELEASE

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**THE DAYS OF LABOR'S DOUBLE-DIGIT PRICE HIKES ARE OVER:
O'FARRELL GOVERNMENT REINS IN PRICE RISES**

As part of the NSW Government's six-year reform program of the State-owned distribution businesses, power prices have levelled with the Independent Pricing and Regulatory Tribunal's (IPART) 2013/14 draft determination proposing average price increases of just **3%** largely in line with inflation.

The NSW Government committed to capping rising network prices at CPI or below from 1 July 2013 after uncovering more than \$2.5 billion in unnecessary future capital expenditure and operating costs under Labor.

As a result of the Government's efforts, IPART's draft determination proposes price rises of between **0.5%** and **4.3%** across the State's three distribution networks, compared to an average price increase of 18% last year.

"The O'Farrell Government pledged to rein in the exorbitant price increases delivered under Labor and has succeeded," Mr Hartcher said.

"After experiencing an 80% increase in power prices over the last five years, today marks a turning point for electricity prices and for NSW electricity customers. We have turned a corner – prices have plateaued, and IPART expects prices to decline by 2015.

"We've successfully limited network price rises to well below CPI – with some areas to actually experience a drop in network costs, and with further significant reductions forecast down the track.

"And while we know that families are struggling to deal with high power bills, households can be confident that the days of Labor's double-digit price hikes are over."

Customers in the Ausgrid network can expect an average increase of **4.3%**, while the Endeavour Energy network will see rises of **3.1%** and Essential Energy will see just **0.5%**.

With uncertainty regarding future wholesale gas supply and costs, the NSW Government has also welcomed IPART's decision to undertake an annual review of wholesale costs given future price and gas contract uncertainty.

Families struggling to meet high energy costs are encouraged to apply for the range of NSW Government assistance measures on offer, including the Low Income Household Rebate and the Family Energy Rebate.

"Over 940,000 households are eligible to receive a NSW Government rebate. The money is there, the assistance is available and the Government wants eligible households to take advantage of this funding," Mr Hartcher said.