

RISING ELECTRICITY BILLS

WHAT'S REALLY DRIVING THEM UP?



WITH
Pollution action

WITHOUT
Pollution action

A \$25 CARBON POLLUTION PRICE STARTING IN 2012 & STRONGER ACTION ON ENERGY EFFICIENCY
\$/week for the average household in 2012

NO ADDITIONAL POLLUTION POLICIES & ONGOING UNCERTAINTY FOR INVESTORS
\$/week for the average household in 2012

\$26.54

average weekly bill in 2010

\$7.88

cost of new infrastructure

\$1.24

energy costs

\$0.80

retailer costs & profit

\$1.03

existing renewable energy target

\$3.86

price on pollution (assuming \$25/tonne)

\$1.41

potential energy efficiency savings

VS

\$26.54

average weekly bill in 2010

\$7.88

cost of new infrastructure

\$1.24

energy costs

\$0.80

retailer costs & profit

\$1.03

existing renewable energy target

\$0.00

potential energy efficiency savings

\$39.94

WITH POLLUTION ACTION

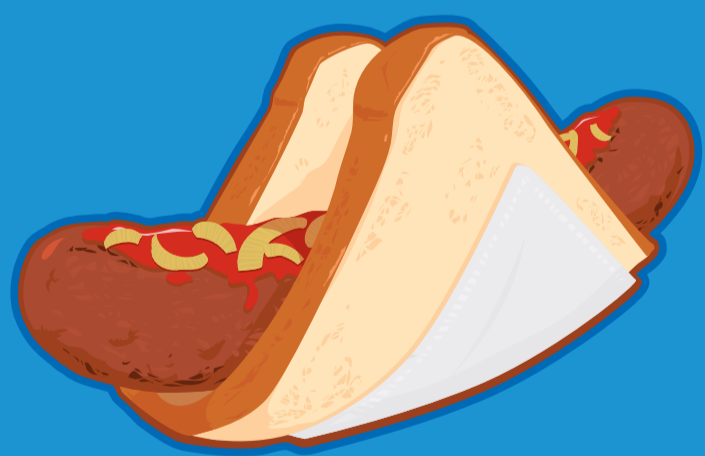
- ✓ Less pollution and cleaner industries
- ✓ A competitive low-carbon economy
- ✓ New clean energy jobs
(A net increase of up to 34,000 jobs by 2030)
- ✓ More investment in regional Australia
- ✓ More certainty for investors
- ✓ Cleaner air & health benefits
- ✓ A safer environment for our children

\$37.49

WITHOUT POLLUTION ACTION

- More pollution ✓
- A pollution dependent economy ✓
- Clean industries invest overseas ✓
- Missed investment opportunities in regional Australia ✓
- Adverse health impacts ✓
- More environmental damage ✓

THE DIFFERENCE?



\$2.45

PER WEEK

ABOUT THE COST OF A SAUSAGE SANDWICH

DID YOU KNOW?

WE WASTE 5 TIMES THAT AMOUNT IN FOOD EACH WEEK*

A SMALL PRICE TO PAY TO PUT AUSTRALIA ON THE PATH TOWARDS A LOW POLLUTION, CLEAN ENERGY FUTURE.

While \$2.45 is a small price to pay, the actual cost to households could be significantly lower. The tax cuts or other assistance promised by the Government would put more money back in many of our pockets. For example, under the proposed CPRS the vast majority of households would receive an average of \$660 per year (\$12.70 per week) to help with rising costs of living. Stronger action on energy efficiency could save households much more than estimated here - up to \$5.70 per week. The ongoing uncertainty around a price on pollution also comes with cost, with power companies forced to invest in cheap-to-build but expensive-to-run gas generators, with a cost to the economy of around \$2 billion a year by 2020 (or \$1.30 per week for each household).

Copyright 2011 The Climate Institute. The above prices represent estimates of a 2012 weekly electricity bill for an average Sydney household. All data sources for the above are detailed in the corresponding Briefing Paper, Electricity Prices: The Facts, which can be found at climateinstitute.org.au.

*Figures relating to average food waste have been sourced from the Australia Institute's 2009 report

"What a waste - an analysis of household expenditure on food", available at tai.org.au