



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON COST OF LIVING PRESSURES IN THE ACT
Mr Johnathan Davis MLA (Chair), Dr Marisa Paterson MLA (Deputy Chair)
Ms Nicole Lawder MLA

Submission Cover Sheet

Inquiry into Cost of Living Pressures in the ACT

Submission Number: 001

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LACommitteeCOL@parliament.act.gov.au

To: The Chair, Inquiry into Cost of Living Pressures in the ACT

I am writing to the Committee to suggest that Supply Charges of Utilities be examined.

My wife and I are self-funded retirees. Some years ago we decided to down-size, and since 2016 have lived in an apartment in Kingston ACT.

I'm sure that others will raise the level of Rates in the ACT; suffice it to say that our Rates here are significantly higher than those of friends living in Sydney and Melbourne.

But in this submission, I'd like to focus on Supply Charges for utilities such as Electricity, Gas and Water.

We live pretty modestly, which is reflected in our Consumption Charges of utilities. But I've always been surprised at the level of Supply Charges and I would like to know how they compare to other jurisdictions such as Sydney, Melbourne and Brisbane and smaller centres such as Wollongong and Newcastle.

The following Table contains details of recent bills:

Electricity (ActewAGL)

| | Period | Charge | Total (incl GST) |
|---------------------|-----------------------------|---------------------|------------------|
| Supply Charges | 28/10/2022 to 27/01/2023 | 92 days at \$0.8975 | \$90.83 |
| Consumption Charges | Meter read on 27/01/2023 | 336 kWh at \$.1834 | \$67.78 |
| Total New Charges | | | \$158.61 |
| | | | |

Gas (ActewAGL)

| | Period | Charge | Total (incl GST) |
|---------------------|-----------------------------|----------------------|------------------|
| Supply Charges | 08/09/2022 to 06/12/2022 | 90 days @ \$0.563636 | \$55.80 |
| Consumption Charges | Meter read on 06/12/2022 | 350MJ @ \$0.030273 | \$11.66 |
| Total new charges | | | \$67.46 |
| | | | |

Water and Sewerage (ICON Water)

| | Period | Charge | Total (incl GST) |
|------------------------|-----------------------------|----------|------------------|
| Water Supply Charge | 01/01/2023 to 31/03/2023 | \$50.00 | \$50.00 |
| Sewerage Supply charge | 01/01/2023 to 31/03/2023 | \$125.56 | \$125.56 |
| Total | | | \$175.56 |

Because we live in an apartment block, water consumption is bulk-billed to the Body Corporate and we pay our share in our quarterly Body Corporate levies.

Supply Charges levied on utilities in the ACT are a contributor to Cost of Living pressures.

With Consumption Charges, we can shop around if other suppliers offer better deals, but that is not the case with Supply Charges.

I find it puzzling how Supply Charges are sometimes higher than Consumption Charges – intuitively, seems unfair.

I would be grateful if the Committee could advise:

- (1) how the ACT's Supply Charges on utilities compare with other jurisdictions;
- (2) how Supply Charges impact on the Cost-of-Living pressures faced by Canberrans;
- (3) how much revenue is raised by the Supply Charges, and how that money is utilised;
- (4) do all households and businesses in the ACT pay the Supply Charges.

Look forward to hearing from you.

Kind regards,

Alex Olah, [REDACTED]

19 February 2023

E: [REDACTED]

M: [REDACTED]