



20 May 2018

Guy Barnett, Minister for Energy

Electricity price cap

The Hodgman Liberal Government has made a commitment to lower the cost of living burden for Tasmanians, and we are taking decisive action on this matter in relation to power prices.

I am pleased to announce that this week the Government will be tabling legislation that will deliver on our election commitment to cap electricity price increases at no more than CPI.

Introducing legislation delivers on our election commitment to table the Bill within our first 100 Days to cap electricity price growth to no more than CPI for a three year period.

In 2013, the former Labor-Green Government linked Tasmanian Wholesale Prices to the volatile Victorian Electricity Market. Wholesale power prices in the National Electricity Market (NEM) have increased alarmingly in recent times. Had the Tasmanian Liberal Government not intervened last year, this volatility in prices would have flowed through and impacted on Tasmanian households.

Our Plan will break the former Labor-Green Government's link with mainland prices and give Tasmania the lowest power prices in the nation by 2022.

Under our Tasmania First energy policy, we have committed to providing Tasmanians reliable and renewable power, at the lowest possible price.

As a result of capping power price increases to no more than CPI for 2018-19, it is estimated that a typical residential customer will save around \$180 during that financial year.