



18 August 2020

Guy Barnett, Minister for Energy

More support for businesses and the community for covering the basics

The Tasmanian Liberal Government has put in place unprecedented levels of support for our community and business sectors and we will continue to respond as the economy recovers from COVID-19.

We understood that electricity and water customers needed support during these times and responded by waiving quarterly electricity and water and sewerage bills issued to small businesses from 1 April 2020.

Approximately 34,000 small business are benefiting from that support, at a cost of \$22 million and \$27 million for the electricity bill waiver, while the cost of the water waiver and price freeze will amount to around \$25 million.

To further assist businesses, today we are announcing a \$1000 grant to customers in embedded networks, which could be a shop inside a building or complex like a hospital or shopping centre. This will benefit up to 1,000 small business electricity users.

This new grant program will complement the previous grants offered by the Tasmanian Government, with details on how eligible businesses can access this initiative will be released soon.

In another step towards putting downward pressure on power and water regulated prices, we can also announce that the Government plans to extend the regulatory review of the retail costs of power and water prices by another 12 months to 30 June 2022.

The Government will also introduce legislation in the Spring Session of Parliament that will:

- extend the application of the 2016 Standing Offer Price Determination for regulated electricity prices by one year to 30 June 2022;
- extend the 2019 Regulated Feed-in Tariff Rate Determination by one year to 30 June 2022; and
- extend the 2018 Water and Sewerage Service Price Determination by one year to 30 June 2022.

- The legislation will also fix the next Water and Sewerage Price Determination to be from 1 July 2022 to 30 June 2026.

Effectively freezing the review of retail costs for water and electricity services reflects the focus of Aurora and TasWater on supporting the Tasmanian community through COVID-19 as well as the highly uncertain environment in which these businesses are currently operating.

We know power bills are a major cost for businesses and households and in June we announced a 1.38 per cent drop in Aurora Energy's standing offer electricity price for 2020-21.

The Tasmanian Liberal Government's has a policy of delivering the lowest regulated electricity prices by 2022 and since we came to government 6 years ago regulated prices have reduced in real terms for households by 12 per cent and 19 per cent for small businesses.