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# Over 2.8 million Australian households plan to cut back on spending to afford summer energy bill

## 35 percent of Australian households considering switch to solar

Research released today by energy experts <u>iSelect</u> suggests that **over 2.8 million** Australian households plan to cut back on spending to afford their summer energy bill, with **48 per cent** saying the cost of energy will affect how long they use the air conditioner this summer.

The Galaxy Research study<sup>1</sup>, commissioned by iSelect to assess the attitudes of Australian households towards energy suggests that almost **3.9 million Australian households** are concerned about their upcoming summer energy bill.

Entertainment and dining out are top of the chopping block for Australian households, with **42 per cent** planning to tighten their spending in those areas, while the research suggests that almost **one in five** even plan to cut back on groceries.

Laura Crowden, spokesperson for iSelect, said with much of Australia experiencing another hot summer, it is likely many households will feel the heat when it comes to their energy bills at the end of summer.

"Most of us are prepared for large winter bills but during the warmer months, keeping air-conditioners running around the clock and the extra energy consumed by kids at home during the school holidays using TVs and computers can result in summer energy bill shock."

"But if you simply use the air-conditioner a bit less, you may be disappointed to discover that your energy bill hasn't decreased as much as you had hoped when you receive it in the mail," Laura explained.

"This is because for most Australian households a large portion of your energy bill is actually made up of network charges and other variables not associated with usage."

The survey also found that **48 per cent** of Australians homes will be using fans this summer to keep their bills down but just **10 per cent** are planning to review their energy provider this summer in search of a better deal.

"While reducing your energy use and addressing your household budget is important, the easiest way to save money is to make sure you are on the most cost-effective plan to begin with."

"This is because tariff rates and pay-on-time discounts can differ significantly from provider to provider and even from plan to plan with the same provider," said Laura.

 $<sup>^{1}</sup>$  In October 2016 iSelect commissioned a nationally representative consumer research study with Galaxy Research to assess the attitudes of over 1,100 Australians household decision makers towards summer energy bills

To combat energy affordability concerns, **more than a third** of Australians households are considering a switch to solar power.

"There is no one size fits all solution to rising energy prices and unfortunately there are thousands of variables when it comes to selecting the most cost effective energy plan, provider or solar option," Laura said.

Laura recommended Australian residents speak with an energy expert this summer to find out what options are available to ease bill pain both over the hottest months and year round.

"We've all got better things to do with our time than spend hours comparing energy plans. But what can take days to decipher on your own can often be resolved in a matter of minutes over the phone with the right help, meaning you can cross 'review your energy' off your to-do list for 2017!"

### iSelect's top 5 tips for finding the best value energy deal

- **1. Save money with the right plan** Reducing your consumption won't necessarily reduce your bill significantly. The best way to save money is to make sure you are on the best value plan to begin with
- **2. Flexible payment options** Pay your bills weekly, fortnightly or monthly, or sign up for bill smoothing which will divide your annual usage into even monthly instalments, avoiding bill shock
- **3. Be wary of pay on time discounts** Paying on time could save you significantly but if you often pay your bills late, you could end up paying a lot more than you expected.
- **4. Look out for special offers** Increased competition means some retailers are offering generous introductory offers or rebates to entice new customers, such as credit towards your account
- **5. Shop around** Use increased energy competition to your advantage by comparing current offers. Call an energy comparison service like iSelect and make sure you have a copy of your latest bill handy

#### **ENDS**

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Last year, more than 9 million Australians visited our website and we provided recommendations to over 6 million customers. But we are much more than just another online comparison website. Our highly-trained experts at iSelect HQ help customers to choose and buy from thousands of available policies, products and plans. And we provide our advice at no cost to the customer.

We compare and sell some of Australia's biggest brands but are proud that, unlike other comparison sites, we are not owned by an insurance company. From health and life insurance through to energy and broadband, as well as car insurance and home loans, iSelect helps Australians take care of the boring but important stuff. <a href="https://www.iselect.com.au">www.iselect.com.au</a>

iSelect Ltd Page 2 of 2