

ENERGY IN TASMANIA REPORT 2023-24

The Tasmanian Economic Regulator published its annual performance report for Tasmania's energy sector, the *Energy in Tasmania Report 2023-24*, today.

The Report provides an overview of Tasmania's electricity and gas supply industries and presents key performance information for the entities that provide electricity and gas to Tasmanian businesses and residents.

There was very low rainfall across Hydro Tasmania's catchments during the second half of 2023-24. To preserve its storages, Hydro Tasmania reduced its hydro-electric generation, increased generation at the gas-fired Tamar Valley Power Station, and imported more energy across the Basslink interconnector.

Hydro-electric generation fell by 9.3 per cent and total on-island generation fell by 5.0 per cent compared to 2022-23. Tasmania imported 1 249 GWh more than it exported across Basslink in 2023-24.

The Regulator, Mr Joe Dimasi, noted the small but growing contribution of rooftop solar to Tasmania's generation mix. Generation from rooftop solar increased by 31 per cent in 2023-24. This was attributed to 4 613 new solar installations and 2023-24 being a particularly sunny year.

Competition in the electricity and gas markets increased in 2023-24. Solstice Energy Retail (formerly Tas Gas Retail) began retailing electricity to residential and business customers, and Eastern Energy Supply commenced offering gas retail services to industrial customers.

While Aurora Energy remains the dominant electricity retailer, 1st Energy added approximately 1 400 residential customers in 2023-24 and increased its market share to 6.1 per cent.

Data indicates that business customers, for both electricity and gas services, may have found 2023-24 particularly challenging. Small business customers repaying an electricity debt increased by 12.1 per cent and the average amount of debt increased from \$1 121 at 30 June 2023 to \$2 233 at 30 June 2024. The number of small business gas customers on a payment plan increased by 24.1 per cent and the average amount of debt increased by 47.7 per cent.

There was also an 8.4 per cent increase in the number of residential gas customers on a payment plan, but the average amount of debt fell by 1.9 per cent.

For residential electricity customers, the data is more positive. The number of residential electricity customers repaying a debt fell by 13.7 per cent and the average amount of debt fell by 29.8 per cent, to \$750 at 30 June 2024. This may be attributable to a program of proactive credit management by the largest retailer, Aurora Energy, and the impact of government-funded electricity bill rebates.

TasNetworks paid electricity customers \$2.0 million in compensation for frequent or repeated electricity outages under the Regulator's guaranteed service level scheme.

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The Final Report is available at:

www.economicregulator.tas.gov.au

Go to: News

