Carbon price adds $2.61 to average weekly PowerWater bill

The average household PowerWater bill in the Northern Territory will increase by $2.61 per week as a result of the Commonwealth Government’s Carbon price.

The increase will come into effect from July 1 at the same time as the Commonwealth’s tax concessions and the standard PowerWater annual CPI indexation – a 2.8% increase.

Combined, the carbon price and the CPI indexation will increase the average household bill by $4.32 per week.

The bulk of the increase is due to increased electricity charges but also includes small increased water and sewerage charges. The biggest impact on any household’s PowerWater bill will always be the level of consumption.

For the majority of Territorians this increased cost will be more than compensated by the Commonwealth’s tax concessions which will start at the same time.

“Every household is different and the increase in PowerWater bills will depend on how much power and water a household uses and the concessions will depend on income levels and the number of dependents,” Ms Lawrie said.

“Territory households and small businesses already the second lowest power prices in Australia due to a $63m subsidy from the Territory Government, approximately $800 per household, or $15.38 per week.”

The Commonwealth Government has stated that the average Australian Household will receive $10.10 per week in concessions.

The Commonwealth Government’s Clean Energy Future website allows families and individuals to estimate the concession they will receive.

The average household PowerWater bill is based upon the average household power and water consumption for the year 2010/11. In that year the average
Territory household used 8,908 kilowatt hours of electricity and 365 kilolitres of water.

The average percentage increase for electricity alone as a result of carbon pricing in the Northern Territory is 6.8%. Information is not yet available for all other jurisdictions, however this compares to an expected average increase in Queensland of 11%, NSW 9% and WA 8.4%.

For small businesses the average weekly increase will be $15.80 as a result of the carbon price and $13.38 as a result of CPI indexation. This will lead to an average increase of $29.18 per week. Small businesses will be eligible for the Commonwealth’s instant asset write-off increase.

The $2.61 per week increase is very close to the $2.70 figure flagged by the Chief Minister in August last year.

The CLP’s expected outrage over a carbon tax impact of $2.61 on PowerWater bills needs to be assessed alongside the increased power prices of their own plan. The CLP have committed to building a series of power stations with a total 100MW capacity by 2025.

Such a project will cost hundreds of millions to construct and tens of millions every year to subsidise. The CLP will increase power prices dramatically.

Ms Lawrie said the Henderson Government will continue to oppose cuts to the Diesel Fuel Rebate and increases to the aviation fuel excise.

“These cuts adversely affects remote and regional Australia which already has to cope with higher fuel and freight costs. We will continue to fight on this issue because it is unfair to the Northern Territory.”

A factsheet on pricing and concessions can be found at http://www.powerwater.com.au/__data/assets/pdf_file/0015/65211/prices.pdf

Media: Patrick Hastwell 0427 017 803

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