

## Senate Community Affairs Legislation Committee

### ADDITIONAL ESTIMATES – 27 FEBRUARY 2014 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Electricity Purchasing

**Question reference number:** HS 147

**Senator:** Cameron

**Type of question:** Written

**Date set by the committee for the return of answer:** 24 April 2014

**Number of pages:** 2

#### **Question:**

I refer to HS 39 concerning electricity purchasing. Please update (a) and (b).

#### **Answer:**

- a) DHS electricity purchasing arrangements will vary according to the state location, the quantity of electricity consumed at each site, and whether the geographic location is open to competition. The electricity purchasing arrangements, based on location and site consumption (small and large market), are as follows:

*Australian Capital Territory – large market sites:*

ERM Power Retail Pty Ltd – four (4) year contract commenced July 2011.

*Queensland, New South Wales, South Australia and Victoria – large market sites:*

Momentum Energy Pty Ltd – four (4) year contract commenced October 2011.

*Queensland, South Australia and Victoria – small market sites:*

Energy Australia – three (3) year contract commenced March 2012 for Victoria and Queensland (other than regional). Ergon Energy supplies regional Queensland with arrangements in place on a site by site basis.

*Tasmania – small and large market sites:*

Aurora Energy – three (3) year contract commenced May 2012.

*New South Wales and Australian Capital Territory – small market sites:*

Supply arrangements on a site by site basis with ActewAGL, AGL, Country Energy, Energy Australia, Integral Energy and Origin Energy. An approach to market failed to secure a single supplier. An alternative strategy is currently being formulated with a further market approach expected in the second half of 2014.

*Western Australia sites – large and small market sites:*

Supply arrangements on a site by site basis with WesternPower, Synergy and PowerWater.

*NT sites – large and small market sites:*

Supply arrangements on a site by site basis with PowerWater.

- b) The department's electricity costs, excluding GST, ranges between \$1.9 and \$2.0 million per month.

In addition to this answer, we provide a correction of the information previously reported in HS 39 from the Supplementary Estimates hearing in November 2013. With reference to the small market contract for Queensland, South Australia and Victoria, the contract commenced in March 2012 rather than March 2011.