

HOUSEHOLDS BRACE FOR WINTER BILL CHILL

- High energy bills hit one in two Aussie households
- One in five will struggle to pay latest energy bill

Tuesday 8 September 2015: One in two Australian households have received bigger than usual electricity bills thanks to the coldest winter hitting the south-eastern states in between 5 and 26 years*, according to energy comparison site, Mozo.com.au

“June’s ‘polar vortex’ forced households to up their energy usage to stave off the cold. Now bill chill is setting in as expensive energy bills land in letterboxes around the nation,” said Mozo Director, Kirsty Lamont.

Mozo’s research coincides with the launch of its energy comparison service, which compares 1,100 offers from 22 energy providers across 30 regions to help households find a better deal.

32% of households surveyed by Mozo said their winter energy bill was up to \$50 more than usual and a further twenty per cent are coping with a bill that’s \$110 more than expected – this increases to 60% for those aged 50-59.

While most blamed a colder winter for higher heating costs, one quarter of those surveyed say higher charges by their energy provider were to blame for a bigger than usual bill.

“High energy bills are putting pressure on household budgets with one in five (19%) Aussie households struggling to pay their latest bill and saying they will need to use credit, draw on savings or cut back in other areas to cover the extra cost,” said Lamont.

Those aged 50-59 are most affected with 42% admitting they’ll struggle to pay.

How will you cover the extra cost of a higher electricity bill?	%
Draw on savings	32%
Cut back in other areas to pay for it	26%
Pay on credit card	20%
Pay late	7%
<i>Research was undertaken by PureProfile between 25 -28 August 2015 to 1,008 Australian residents via an online survey.</i>	

The research shows energy bills are the second highest household bill behind the mortgage or rent, followed by home, car and health insurances and council rates.

A huge 47% said they were not happy with the size of their energy bills and one in five are not confident they’re on the right energy plan.

“These figures prove how much of a burden energy bills can be on the household budget and highlight the need for households to shop around for a better deal,” said Lamont.

Mozo data shows the average Australian household can save as much as \$615 each year by switching to the cheapest available energy plan on the market.

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“Households struggling with high electricity and gas bills should shop around to find the lowest cost plan for their needs given a few minutes of online comparison can deliver hundreds of dollars of savings a year. That money is better off in your back pocket than in the pocket of energy providers,” said Lamont.

Mozo’s tips for coping with bill shock:

- Contact your provider to see what your options are for payment e.g. you may be able to pay your bill in instalments
- Use your latest bill to shop around and see how much you can save by switching
- Make sure you’re not on your provider’s ‘standing offer’ as this generally the least competitive deal available
- Take advantage of all discounts available to you e.g. pay on time or Direct Debit discounts
- Make sure you’re being charged for actual usage rather than estimated readings

Around the nation:

- Households in **Victoria** were worst hit with more than half (57%) suffering higher bills
- In **South Australia**, 59% of households blame a cold winter on higher energy bills
- 28% of **NSW** households say their latest energy bill was \$110 more than usual
- 38% of **Queensland** households say higher bills were brought on by their provider charging more

Mozo’s new online energy comparison tool lets consumers compare energy plans available in their area, quickly identify the lowest cost plans for their needs, and switch to the cheapest deal on offer. Visit mozo.com.au/energy

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Notes to Editors: The figure of \$615 is based on the average potential savings across distributors in the Mozo database on 21 August 2015 based on average electricity usage. Average household electricity usage is taken from the Australian Energy Regulator (AER) published in 2014 for NSW, VIC, QLD, SA and ACT, based on a 3 person household with no pool. Prices include usage charges, daily service charges, GST and any discounts for using specific payment methods such as Direct Debit or ‘pay on time’ discounts. All calculations assume tariffs are single rate i.e. peak only or anytime tariffs. Exact savings achieved by consumers will depend on their individual situations.

* [According to data](#) released by Weatherzone on 31/8/15

For data or comment from a Mozo spokesperson, contact:

Caroline Thomas, PR Manager
Mozo.com.au
PH: 02 9037 4375 / 0402 330 021
E: caroline.thomas@mozo.com.au

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