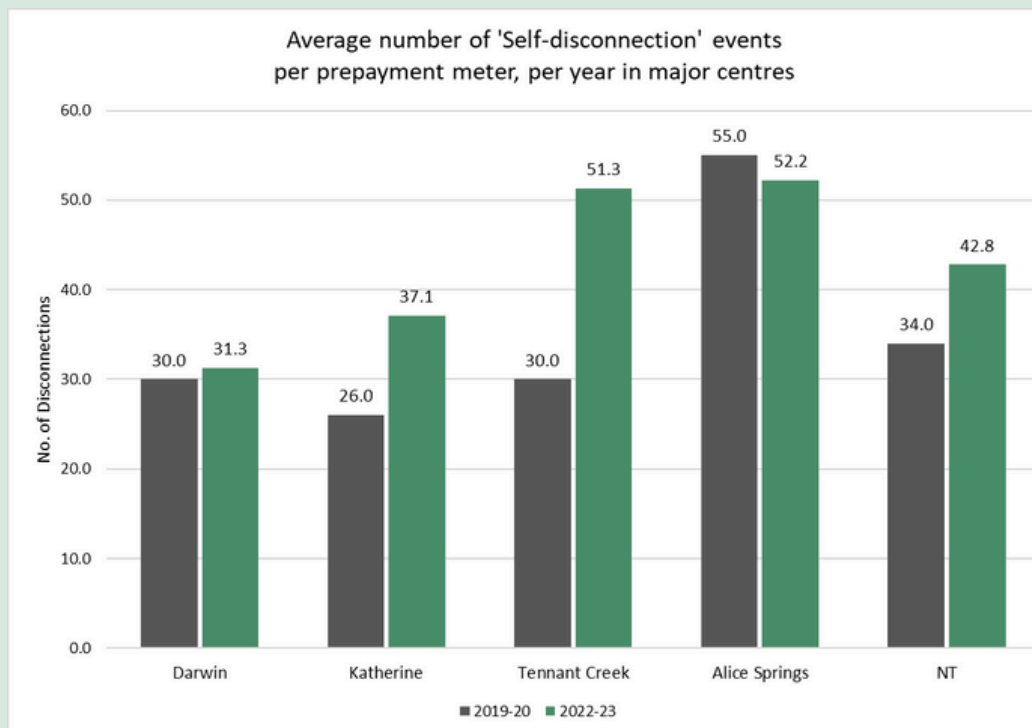


# FACT SHEET

## Cost of Utilities in the Northern Territory

There were **103,985** involuntary self-disconnections in major centres across the NT in 2022-23.

The majority of households in remote Aboriginal communities and some urban public houses use prepayment meters for electricity. When these meters are not topped up with sufficient funds, power to the household is disconnected. Disconnection generally occurs when a consumer cannot afford power credit. Households across the Territory with prepayment meters are struggling with very high rates of involuntary self-disconnections. These rates have increased in all major centres except Alice Springs.



Note: data is only available for major centres, the rate of disconnections in remote areas is not published.

[Reference 1]

Being without power for extended amounts of time can have a significant impact on people's health and wellbeing. In Alice Springs, households with prepayment meters experienced on average 52.2 involuntary 'self-disconnections' per year in 2022-2023, more than any other region in the NT. The average duration of each disconnection event was 401 minutes. **That equates to being without power for more than 6 hours, approximately once a week.**



### "I run out of power every five days"

- a case study from a community member in Alice Springs

Jenny is 30 years old with four children. She lives in Alice Springs in a home with a prepayment meter for electricity. Jenny runs out of electricity about every five days.

When this happens she has to try to find some money to put the power back on. Sometimes she might go for more than a day without electricity. If she can't find money from family or friends to top up her electricity to get it back on, she says she has to go somewhere else to sleep. Recently Jenny was trying to find some money up until 1.30 am one day, in order to get her electricity back on, so her family could stay in the house. And now she is really worried after receiving a letter from Territory Housing saying that rents are going to increase soon – meaning she will have even less money available for electricity.

Note: Name has been changed to protect the identity of the person featured in this case study.

# FACT SHEET

## Cost of Utilities in the Northern Territory

Energy bill relief payments in 2023 brought down the consumer price index for electricity, though average electricity bills in the Northern Territory remain high.

### CPI changes over the past year (to March 2024)

#### Electricity



CPI for electricity has decreased by 3.4% in the NT, compared to a rise of 2.0% nationally.

#### Gas and other household fuels



CPI for gas and other household fuels has risen 11.8% in the NT, compared to a fall of 2.3% nationally.

#### Water & Sewerage



Water & sewerage CPI has risen 3.0% in the NT, less than the 5.7% increase seen nationally.

[Reference 2]

The Energy Bill Relief Fund introduced by the Federal Government in 2023 provided a \$350 annual energy rebate on power bills for eligible households. Without this, modelling shows that prices would have increased 17.0% nationally over this period.[2] Although CPI decreased faster in the NT than nationally and the NT Government subsidises power prices through the Community Service Obligation, households in the Territory still pay more on average for electricity than other states and territories. This can generally be attributed to higher consumption due to extreme climate and poor energy efficiency standards of dwellings.



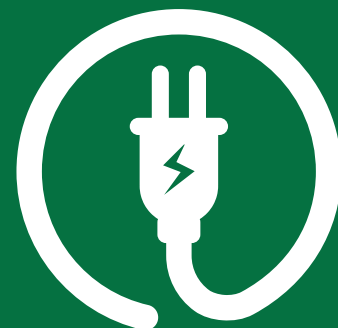
#### NT Average electricity cost (2023/24)



**\$333 per quarter/\$1331.18 per year**  
for a one-person household  
based on average daily consumption of 11 kWh



**\$769 per quarter/\$3075.84 per year**  
for a three-person household  
based on average daily consumption of 28 kWh



[Reference 3]

Cooling and heating make up a significant portion of energy consumption. The extreme temperatures in the NT combined with low energy efficiency standards mean many households struggle to keep their homes at a comfortable and healthy temperature. Low-income households have less ability to pay for the necessary cooling and heating, and high electricity bills mean less money for other essentials.

#### Average quarterly electricity bill

(December quarter 2023)

Household size	Australia	Northern Territory
1 person	\$307	\$333
2 people	\$323	\$743
3 people	\$345	\$769
4 people	\$358	\$820

[Reference 4]

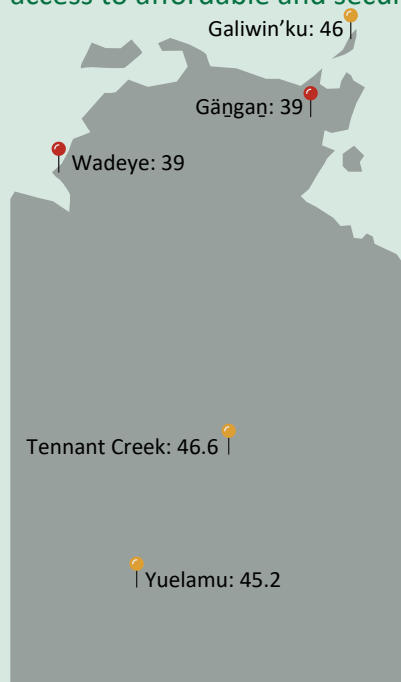
Note: Data for the average cost of electricity bills in the NT is calculated from average consumption for different sized households as published on Jacana's household bills covering December 2023 and Residential Pricing and Tariffs. Data for the national figures is from a survey conducted by Canstar Blue that did not include the NT. Caution is required when comparing the figures.

# FACT SHEET

## Cost of Utilities in the Northern Territory

### Telecommunications

The Australia Digital Inclusion Index (ADII) uses survey data to measure digital inclusion across three dimensions of Access, Affordability and Digital Ability. Telecommunications are a vital tool for engagement in today's society - access government services and engagement in the job market are among many functions that depend on it. To access telecommunications, people also need access to affordable and secure energy.



**The Northern Territory has the lowest ADII score in Australia, at 69, compared to the national index score of 73.2.**

The Mapping the Digital Gap project measured digital inclusion in 10 remote and very remote First Nations Communities, including 5 in the Northern Territory, that showed significantly lower scores than the territory average.

Key: ADII scores range from 0-100, a higher score indicates greater levels of digital inclusion:

- Highly excluded (45 or below)
- Excluded (above 45 and below 61)
- Included (61 and below 80)
- Highly included (80 and above)

The Digital Gap measures the difference from the national average. For First Nations people this gap is 7.5 points nationally. For those in remote and very remote areas this increases to 21.6 and 23.5 points respectively.

[Reference 5]

**Income Eligibility for the NT Concession Scheme**  
Maximum Weekly Rates of Payment for Single People, March 2024



Concessions are an important mechanism to provide targeted support to those who need it. The NT Government's Concession Scheme provides eligible recipients with up to \$1200 per year in electricity concessions. However, people on some of the lowest incomes are not eligible for this support. A single person who is on JobSeeker, earning a maximum of only \$379 per week is not eligible for any of these concessions.

[Reference 6]

## Recommendations

### For the Federal Government:

- Raise the base rate of Job Seeker and other working age income support payments to at least \$80 a day, to support people to afford the basic costs of living.

### For the NT Government:

- Commit to reducing the frequency, duration and number of disconnections for prepayment meter customers.
- Ensure prepayment customers can access the same hardship programs as post-payment customers across all retailers.
- Reduce the standard prepayment tariff.
- Increase payment options for prepayment meter users to include automated payment options including Centrepay, Income Management, and Direct Debits.
- Expand NT Concession Scheme eligibility to all Commonwealth Health Care Card holders.
- Implement minimum energy efficiency standards for rental homes.
- Install solar energy on all social housing.

## References

1. Jacana Energy data as cited in Tangentyere Council Aboriginal Corporation, 2021, Tangentyere Council Submission to: Essential Services Commission of South Australia Prepayment Meter System Code Review Submission, p.4-5.; Utilities Commission of the Northern Territory, 2024, Northern Territory Electricity Retail Review 2022-23, Darwin NT.
2. Australian Bureau of Statistics (ABS), 2024, Consumer Price Index, Australia, March 2024, 6401.0 Consumer Price Index, Australia Table 10. CPI: Group, Sub-group and Expenditure Class, Percentage change from corresponding quarter of previous year by Capital City, Australian Bureau of Statistics, Canberra, ACT, Data 4,5,6.
3. Jacana Website - Electricity Pricing Tariff 1 July 2023, 1 July 2022. Available at: <https://jacanaenergy.com.au/your-home/pricing-and-plans/residential-pricing-and-tariffs>;
4. As above and; Wrigley, K., 2024, What is the average electricity bill?, Canstar Blue.
5. Thomas, J., McCosker, A., Parkinson, S., Hegarty, K., Featherstone, D., Kennedy, J., Holcombe-James, I., Ormond-Parker, L., & Ganley, L. 2023. Measuring Australia's Digital Divide: Australian Digital Inclusion Index: 2023. Melbourne: ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinburne University of Technology, and Telstra.
6. Services Australia 2024, A Guide to Australian Government Payments, Australian Government, Canberra, 1 January - 19 March 2024, Canberra, ACT, p.2,4,12,13,22, 23,39.; Northern Territory Government, 2023, NT Concession Scheme and NT Seniors Recognition Scheme.