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## **Energy challenges prompt business call for help**

A Business NSW report has found businesses remain lost when it comes to lowering their emissions and energy bills – and feel abandoned by state and federal governments – while facing surging gas and electricity prices.

*Unfinished Business: Putting small business energy policy back on the table*, released this week, contains in-depth analysis of 658 businesses and their efforts to reach Net Zero and reduce energy costs amid a cost-of-doing-business crunch.

As small and medium-sized enterprises (SMEs) face up to a 56 per cent increase in electricity prices this year and next, the landmark report has revealed businesses are crying out for advice that's in short supply.

Business Hunter CEO, Bob Hawes, said the report reinforced issues high on the priority list for Hunter businesses.

“We know from engagement with our members that it is not uncommon for their energy bills to have doubled. For a small business this increase might be in the order of thousands of dollars and for the largest businesses this increase is in the order of millions. The pain experienced at both ends of the spectrum is substantial and putting not just growth and expansion plans in jeopardy, but business as usual,” said Mr Hawes.

In an effort to reduce their bill, forty per cent of respondents indicated they had started shopping around but did not end up switching, with 59 per cent of these businesses, indicating the savings available elsewhere were not large enough, and twenty-three per cent finding the process too complicated.

“The report emphasises the pitfalls and dead ends businesses often face when confronting the task of trying to reduce their energy bills. Businesses have understandably not predicted or budgeted for this cost increase, they've been caught by surprise and unfortunately the short-term fixes aren't materialising,” said Mr Hawes.

The report found one in five businesses still find the process of switching providers difficult or extremely difficult, showing efforts to simplify energy markets for businesses have further to go.

Mr Hawes said the report went further than just highlighting issues across the energy landscape, offering clear steps the government can take to help businesses decarbonise and reduce energy costs.

Mr Hawes offered that due to their high energy consumption, business and industry represented a significant opportunity to contribute toward the state's energy reduction and decarbonisation targets.

"The requirements and approach for business are less straightforward than for the residential market, although this tends to be where a lot of discussion is focussed. Residential consumption represents 11% of the total energy used in NSW, with transport (47%), industry (33%) and commercial (9%) comprising the rest, so there are huge gains to be made by looking at the business sector," said Mr Hawes.

"Business and industry will have to navigate unique, varied and highly bespoke challenges on the path to net zero. For example, a business with predominantly gas fuelled, recently purchased equipment, or those who would like to invest in low-cost renewables such as onsite solar, but restricted because they lease the premises, aren't in a position to do so," said Mr Hawes.

The survey indicated an appetite among business to move more quickly to reduce their emissions, however, 51 per cent of businesses which have set themselves the target of reaching Net Zero by a specific date also say they have no awareness of the implications of Net Zero or do not understand how their business specifically will be affected.

"Businesses want to do the right thing but need support to navigate changing policy and to overcome financial and capacity barriers to decarbonising and reducing their energy footprint," said Mr Hawes.

The report, funded by Energy Consumers Australia's Grants Program can be found here:

[https://www.businessnsw.com/content/dam/nswbc/businessnsw/submissions/November\\_2022\\_ECA\\_Survey\\_Report\\_low-res.pdf](https://www.businessnsw.com/content/dam/nswbc/businessnsw/submissions/November_2022_ECA_Survey_Report_low-res.pdf)

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