

Homes cop power hikes

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Consumers will be hit by higher power prices this winter. Genesis and Mercury Energy price hikes will see the average family of four pay between \$13 and \$20 a month more.

The announcement came as New Zealand's four main petrol suppliers raised the price of unleaded gas this week by five cents a litre.

But energy analysts say consumers are wising up to the increasing prices, with many opting to change power providers to find a better deal.

Scott O'Donnell, owner of new website switchme.co.nz, said more consumers were comparing power companies online and switching providers to try to get the best rate.

Only six weeks old, the site has already received around 150 hits a day from consumers checking rates. "The beauty of New Zealand is that consumers can switch as often as they like," O'Donnell said.

Figures supplied to the *Herald on Sunday* show the biggest increases are for Auckland Mercury Energy who will pay around \$20 more a month after prices increase by 3 per cent from next month.

Genesis Energy customers in Auckland will pay an extra \$12.98, and those with Contact Energy an extra \$12.02.

Hamilton families will also be paying more. Genesis customers will have the biggest increase at \$17.69, followed by Contact Energy users at \$14.85. Households with Mercury Energy will pay \$3.48 more a month. (A family of four typically uses 750kW a month).

Budget advisers and energy analysts claimed the power industry is making consumers finance their growth.

Raewyn Fox, chief executive of the New Zealand Federation of Family Budgeting Services, said, "Every time the power prices go up we get a big rush coming to see us saying 'We're not going to cope!'"

But Electricity Commission chair David Caygill said power companies need to increase charges so they can build more power stations to fuel demand.

However, Molly Melhuish, energy analyst and blogger of Domestic Energy Users Network, said the cost of building the electricity network should fall on commercial power users instead of households.