

## **HOW TO TAME THE ENERGY MARKET ROLLER COASTER**

*2017 sees energy prices skyrocketing across the country.*

*Co-op members will get expert backing.*

Many people have heard about the Hazelwood power station's shutdown. But did you know that even several retail suppliers, such as Go Energy and Urth Energy, have also closed down or ceased operations? The termination could be a result of the wholesale electricity's increased cost being higher than the companies can sustain for on-selling.

Residential households and businesses are highly likely to experience significant price hikes. Extremely volatile energy prices aren't making the situation any easier. Generation prices can move up or down quickly in a real-time basis. Furthermore, we face the reduction in coal-fired power plants, a rocky path towards sustainable adoption of clean energy, and storage or consolation within the industry.

CHART: Victoria (\$ Per Megawatt Hour)

New contracts with higher rates have been offered to many larger businesses over the last few months as a result of the recent rises in wholesale costs. Whilst no-one has a crystal ball to accurately predict the market, the forecasts on the ASX are for prices to start reducing after 2018.

CHART: Cal Base Future Prices Mon 22 May 2017

Residential properties might not see the big changes as quickly as larger commercial and industrial energy buyers. The latter will see a market movement almost immediately within days or weeks in a contract offer, whereas the smaller users will see the rises (or decreases) delayed by several months.

Energy market volatility might have pushed up the wholesale energy prices; however, there's practical help available for managing the cost pressures. Co-op members will have industry-leading expertise on their side through the Terang Co-op / Energy Genie partnership.

Many energy industry consultants attract attention through headlines of immediate savings. At Energy Genie, we prefer to assist you in long-term cost management. We help our clients reduce costs when the prices are down and minimise the increases when the prices have gone up again.

The Terang Co-op / Energy Genie electricity web portal is under construction and the new CEO Kevin Ford is delighted with the pre-release preview pages so far. Once complete, the portal allows Co-op members to log in and review specially negotiated electricity offers while getting special service rates for energy consulting. Offers will range from single residence electricity deals to agreements for heavy electricity users in the business sector. The Co-op will make an announcement when the portal is released and there will be a new update in the next newsletter.