



## Smart meters giving Victorian consumers 'no benefit' on electricity bills, auditor-general says

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Victorians paid \$2.2 billion for the roll out of smart meters. (ABC News)

Victorians have paid more than \$2 billion for the roll out of electricity smart meters but have received few benefits, an auditor-general's report has found.

The report said the greatest benefit from smart meters over the life of the program related to avoiding the costs of installing and manually reading older meters.

"When the rollout was announced, the benefits were promoted widely," the report, which was tabled in State Parliament, said.

"However, when the Government reviewed the program in 2011 it was clear there would be no overall benefit to consumers, but instead a likely cost of \$319 million."

It said the cost was likely to climb beyond that, and there was a risk consumers would not see the expected benefits.

"The reality of the smart meter rollout is that the state approved a program, many of the costs of which it could not directly control, nor drive many of the benefits ascribed to it.

"Nevertheless, the rollout is now complete and Victoria has infrastructure in place that might lead to future innovation and benefit to consumers.

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Victorian consumers have been paying for the roll out of smart meters since 2009, when they were introduced to try to help people save money on their power bills.

The auditor-general also criticised the Department of Economic Development, Jobs, Transport and Resources for failing to track the costs of the program.

Victorians will have paid \$2.2 billion in metering charges by the end of the year, including the cost of installing the meters, but the report said the department "does not have a good understanding of the cost of the program, which it does not track".

The auditor-general found just 0.27 per cent of consumers had subscribed to flexible pricing offers associated with smart meters, well below the target of 4 per cent by 2014 and 15 per cent by 2017.

## **Majority of Victorians 'don't understand the benefits'**

Two-thirds of Victorians did not understand the benefits of smart meters, the report said.

Energy Minister Lily D'Ambrosio said the Government had made significant progress in improving the smart meter system and most of the report's nine recommendations were in the process of being implemented or already had been.

"We're very keen to make the most of the smart meter technology that is already available to all Victorians, and there are some fantastic benefits that are already being reaped," she said.

But Victorian Greens leader Greg Barber said power companies were the only ones who had benefited from the introduction of smart meters.

"The benefit to the company was they got to sack the meter reader," he said.

"If you want to save energy in your home, if you want to save money on your power bill, the smart meter really isn't helping you do that.

"The profit has gone to the companies."