



Customers have power in price war of the west

ANDREW BURRELL

It took father-of-three Todd Duckworth about 10 minutes to save hundreds of dollars on his family's annual gas bill.

Mr Duckworth is one of hundreds of thousands of consumers in Western Australia who are benefiting from an unprecedented price war among retailers that is driving down bills by up to 30 per cent.

"I went online one night after the kids had gone to bed and signed up — it was 10 minutes' work," he said.

As power costs skyrocket on the east coast, causing stress for householders and forcing Malcolm Turnbull to put pressure on energy bosses to lower bills, the situation is very different in WA, where there is an abundance of natural gas.

The state's three gas retailers — Chinese-owned Alinta, Sydney-based AGL and Perth company Kleenheat — are engaged in an increasingly fierce battle for customers by offering big discounts and other incentives, including \$50 gift vouchers, if they switch.

So far the big winner is Kleenheat, owned by Perth-based Wes-

farmers. Kleenheat achieved a market share of 25 per cent last week, a milestone that equates to 180,000 customers.

Rival firm AGL entered the market only in July and is believed to have captured only a small number of customers so far.

But the company's arrival has intensified the competition after it offered a 22 per cent discount off gas usage for customers who pay by direct debit.

A spokeswoman for Alinta, the former state-owned utility that until 2013 was WA's monopoly gas supplier, said the company was offering a 25 per cent discount.

But it is known that Alinta will give customers a 30 per cent discount for a 24-month contract. Alinta has been known to call gas users who sign up with Kleenheat or AGL and offer them a bigger discount, as well as a \$50 gift voucher, to switch back.

"We want customers to give us a call to figure out the best deal for them," the Alinta spokeswoman said. "We're always working hard to keep and win back customers."

Kleenheat general manager Mark Gadsby said the company had "paved the way" for competit-

ion for WA natural gas when it entered the market four years ago.

He said Kleenheat had saved residential customers more than \$20 million to date compared with the government-regulated tariff.

Mr Duckworth, an electrical fitter, said he had first heard about the potential gas savings from a friend and had then noticed Kleenheat salespeople at his local shopping centre, prompting him to sign up for a 25 per discount.

The family spends about \$1400 a year on gas, meaning he expects to save about \$350 in the next 12 months.

And if Alinta or AGL offer him an even bigger saving? "I will consider it at the time," he says.



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COLIN MURTY

Tara and Todd Duckworth with children Makayla, 14, Riley, 10, and Josh, 13, with their dog Olive in the southern Perth suburb of Leeming