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SA single mum uses electric blankets and rugs to save on power

Ben Potter

As a single mother of two children on a modest income in Adelaide, Heather Merran can't afford to let her \$1000 a year power bill blow out.

So she has discovered that 100 watt electric blankets and throw rugs are a cheaper way to keep warm than running her 2400W electric oil heater. Her Frewville townhouse has a reverse cycle air conditioner upstairs, which isn't much good for heating the ground floor in winter.

Origin Energy, AGL Energy and Energy Australia have raised their South Australian retail prices by 7-15 per cent – as much as \$260 a year on typical household bills of \$1700-\$2000 – and Ms Merran is bracing for news from her power company, Diamond Energy.

"I am really waiting with bated breath to see whether all the others will follow with a price increase," she told *The Australian Financial Review*.

South Australia's power crisis is starting to hit ordinary families as well as big employers like BHP Billiton, steelmaker Arrium and Port Pirie smelter owner Nyrstar – which forced the state government to lean on ENGIE to restart a mothballed gas turbine to ease skyrocketing wholesale prices last week.

Jo De Silva, senior policy officer with the South Australian Council of Social Service, worries that rising power bills hit her state harder than others

because of its high unemployment. She said families will go without essentials like medicines and food to keep the lights on.

"There has definitely been more contact from consumers who are finding it hard to make ends meet and are quite alarmed about this latest round of price increases and what it's going to mean for their household budgets," Ms De Silva said.

Premier Jay Weatherill's plunge into wind energy has forced coal generation out of South Australia, leaving the state

at the mercy of gas generators like AGL Energy and ENGIE – and the Heywood high voltage lifeline to Victoria's brown coal generators – when the wind drops.

But surging gas prices and Heywood's outage for an upgrade have sent National Electricity Market (NEM) prices for South Australia soaring towards the \$14,000 a megawatt hour NEM cap.

Since ENGIE re-booted the Pelican Point gas plant on Thursday, they've stayed at half to two-thirds above Victorian and NSW NEM prices.

For households like Ms Merran's on a limited budget, it means turning down the thermostat on the power-hungry electric oil heater and finding other ways to make her power go further.

"If you are watching TV or sitting with a computer or a laptop it means the electric throw rug is the way to go, but it does mean the air is still cold," she said.

Ms Merran, an energy efficiency adviser with a Uniting Church agency, and children Brannock, 13, and Matilda, 8, have been in the Frewville townhouse for about nine months and she is still figuring out how to make it draft-proof.

She pays her power bill directly from her mortgage offset account, so any extra means she is also paying more mortgage interest.

Last summer she checked the meter every day. The house needs door seals

and curtains. "There are things I can do to make the house more energy efficient but those things cost money and take time. Curtains I can make but fabric is not free, so do I spend \$200 on curtains and hope the savings come through to make it worthwhile? And how long will it take?"

The Weatherill government hasn't conceded that its wind plunge is a problem. It wants federal subsidies for a new high voltage interconnector to NSW, costing up to \$700 million.

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Jo DeSilva, South Australian Council of Social Service



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Heather Merran finds electric blankets and throw rugs are cheaper than electric oil heaters. PHOTO: BEN SEARCY