

# Spending Hacker

## Spend Less and Get More

Digging Up Deals You Actually Need and Use

### Get the BEST deal on your electricity

Do you get the shivers every time you get your power bill (even in summer) or maybe you get hot under the collar (even in winter)?

Ok ok, no more of this lame Stuff. This is not our cup of tea either :-)

However, there is no denying the fact that the quickly rising electricity prices in Australia have become a major problem to all consumers. After all, it's not like we can decide to stop consuming this product any time soon.

It also seems like the pace in which electricity prices have been rising has increased substantially over the last few years and has significantly exceeded price rises in other areas as well as the overall inflation.

The reasons for that are many and varied with some of them also being political in nature. Bottom line, it doesn't matter why this has happened, the thing that matters to us all is what *can we do about it?* Right?

Many people have opted in recent years to install solar panels on their roof so they can save some money on their power bills while also helping the environment. This makes lots of sense from both the long term dollars and the "feel good" perspectives. However, putting solar panels on your roof is an expensive proposition and requires an upfront investment of thousands of dollars. Not everyone has this kind of money just sitting around idly.

© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we'll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!

Furthermore, many of us have living arrangements that make it impractical to install solar panels even if we did have the money for it (renters or people living in apartment buildings or unit complexes).

## So, what can be done to combat quickly rising electricity prices?

Well, as the famous chinese military strategist Sun Tzu said over 2,000 years ago: “In order to defeat your enemy, you must first *know* your enemy”.

Well, let’s spend a few brief moments now to get to know this ‘enemy’ so that you understand how the Australian electricity market works.

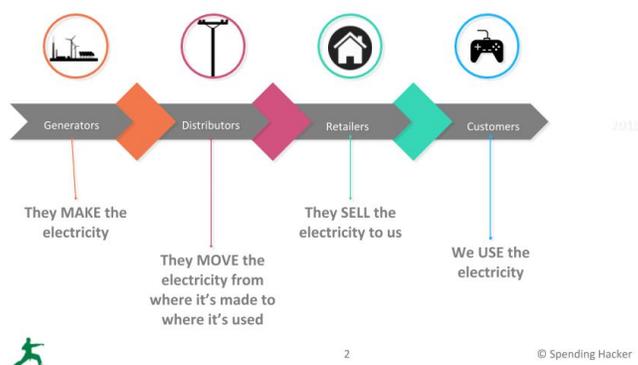
Most of the Australian mainland as well as Tasmania now fall under what is called the [NEM \(National Electricity Market\)](#) which is basically an interconnected network of electricity generation and distribution which encompasses the states of Queensland, NSW, Victoria, South Australia and Tasmania as well as the ACT (as part of the NSW region).

Due to its isolation and vast distance from other population centres in the country, WA operates on its own grid.

The NEM is comprised of three major components: the generators (those who make the electricity), the distributors (those who send the electricity around from where it’s generated to where it’s consumed) and the retailers, who buy the electricity from the distributors at wholesale prices and then sell it to us, the households.

### HOW DOES ELECTRICITY GET TO US?

*Who are the major players impacting price?*



© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we’ll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!

Most consumers who live in South Australia, Victoria, ACT, NSW and southeast Queensland can choose which retailer they buy their electricity from but not all of us realise the full potential of this choice we are given.

Many people think that electricity prices are simply set by the government and that there is very little the individual consumer can do in order to improve their bottom line and save money.

Well, this is far from true!

Electricity prices vary considerably between various parts of the same state, and quite often, even within the same capital city.

As this [short segment](#) shows, there could sometimes even be significant differences within the *same postcode* and two different families with the same level of electricity usage, who are living only a few hundred meters apart from each other, can have differences in their bills amounting to *hundreds* of dollars a year.

Moving house just to save on your power bill might not be a practical proposition for you. However, choosing the right retailer and the right plan could make a *huge* difference to your bottom line.

In most states that are part of the NEM, the government regulates the maximum rate electricity retailers can charge consumers. However, no one said you actually need to pay this *maximum* rate.

As a matter of fact, if you do, you are doing yourself a major disservice.

If you sign up with the right retailer and the right plan, you could potentially save yourself thousands of dollars per year on your power bill and all that without making any changes to your electricity consumption and thus, your lifestyle.

No need to sit in the dark or read a book using candles...

However, choosing the right retailer and the right plan is not an easy task. There are probably more than a dozen electricity retailers currently operating across the NEM states and each one of those have multiple plans to choose from. Most of these plans have quite confusing pricing structures and also lock you into contracts, sometimes up to three years.

© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we'll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!

Another thing those retailers are fond of is charging you a surcharge if you want to pay your electricity bill using your credit card.

Well, enough of that! Let us clear the mess for you. This is what we are here for.

Before we do though, we just want to explain to you one final thing: your electricity bill is comprised of two different costs:

1. Usage charge - this is the more known of the two. It's the price you pay per each kWh (Kilowatt Hour) of electricity you actually use.
2. Service charge - this is a *per day* charge you pay for basically having the power connected to your premises. You pay this **regardless** of how much electricity you use or don't use. Even if you are away and all your electrical appliances are turned off and unplugged from the power socket, you would still pay that charge.

Now, many of the electricity retailers will grab your attention by offering you a nice discount on the *usage* component but not many will also extend this discount to the *service charge* component.

Therefore, make sure you pay attention when the retailers say X% off. You need to ask them two questions:

1. Off WHAT? Which prices are the benchmark used when calculating the discount? and
2. Does the discount apply to **both** the *usage* AND *service* components or only to one of them (usually the usage)? This question is especially relevant to those of you who use very little electricity, meaning the fixed usage charge makes a bigger portion of their overall bill.

If you want to understand a bit more how the discounting trick is used by electricity companies in their marketing (and have 30 minutes to spare), you can watch [this video](#) of a lesson our founder and 'chief hacker' gave to a group of high school students.

Unlike our other reports, it is unfortunately impossible for us to present you with a single retailer and/or plan which can be deemed as the BEST. When it comes to choosing an electricity plan, there is unfortunately no 'one size fit all' silver bullet.

© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we'll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!

This is due to the way electricity pricing is structured and the huge variances and competition dynamics between the different states and even within different regions within the same state (and sometimes within the same city).

Instead do the following:

### [Compare electricity prices in your local area using the federal government's comparison service:](#)

Check the offers available for your postcode through the Federal Government's "Energy Made Easy" [website](#).

The federal government's website doesn't service people in Victoria because the state government there has created its own comparison service which is more comprehensive (and probably better designed as well to be honest).

### [If you live in Victoria:](#)

If you are in Victoria, you should check the state government's [price comparison service](#).

This truly state-of-the-art comparison service allows you to enter more details about your energy usage patterns than what's possible on the federal government's Energy Made Easy service and therefore should give you more accurate and comprehensive results.

### [If you live in NSW:](#)

If you are in NSW, you should check the state government's [energy switch service](#).

The NSW state government has taken a slightly different approach to comparing electricity prices.

© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we'll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!

Unlike the federal government's "Energy Made Easy" website and the Victorian state government's electricity comparison service, the NSW government doesn't just ask you to enter usage data and then presents you with a list of providers and their prices.

Nope, they have taken it one (impressive) step further and adopted an approach no other government comparison service has at the moment.

Instead of entering your usage date manually, you are required to upload a copy of your *actual bill*.

Once you do that, the website will show you the *actual savings* you can expect to achieve with each provider.

Finally, you choose the provider you want to go with and once you make your choice, you can instruct Service NSW (an agency of the NSW state government) to **switch you to it**.

The full process is explained in [this video](#).

Once you provide your instructions, the NSW government takes it from there. Nothing else for you to do and no cost either!

While several commercial comparison services can also switch retailers on your behalf, they almost always *do not compare all the providers available* in your area but rather only those who pay them a commission.

The NSW Energy Switch service is operated by the government so they compare and switch to **any** electricity retailer operating in the state.

This is a great initiative and we can only hope that other states will follow NSW's lead on that one!

## [The Solar Option](#)

Tapping that giant ball of fire in the sky is becoming a much more appealing proposition with every announcement by the electricity companies that they are raising their prices again.

© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we'll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!

Despite the wide appeal of getting your electricity for free from the sun, many people think that they either can't afford it or can't get it altogether due to their living arrangements (e.g. renting, living in units).

Well, the good news is that this space has changed A LOT in recent years and you may be pleased to know that solar power may now be a viable option for you even if you don't have the money to pay for it upfront, are renting, or live in a unit complex or apartment building.

Our founder has written a very comprehensive guide on all the options that are available to you and we strongly suggest you [check it out](#).

That's it for this report.

We hope you found it useful and we look forward to helping you find the best value on other everyday products and services.

Thanks for reading.

© Copyright 2019 [Spending Hacker](#)

This report is intended for your personal use only. No unauthorised reproduction or retransmission allowed.

This report may contain affiliate links. This means we'll receive a commission for each purchase you make after clicking those links.

However, please rest assured that these commissions have no impact on either the price you pay or our editorial decisions on whether to recommend a product or a service to you!