

Finance

Negotiating your power

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385 words

27 September 2010

BRADLEY Dean is a serial entrepreneur. He's an accountant, who has worked in retail, distribution and hospitality for a long time.

Right now he owns the Foodworks store at Strathpine and has been looking for ways to shave his electricity bill.

``Electricity is our biggest operational expense," Mr Dean said.

``We estimate that we will now save 12 per cent over our new three-year contract compared to the rates offered when we took over the business three months ago."

Since July 1, all Queensland businesses and households have been slugged by higher electricity bills - up 13.29 per cent.

There are 11 energy retailers in Queensland and since full retail competition was introduced in 2007, the customer has been in a very strong negotiating position.

Electricity broker **MakeItCheaper** .com.au estimates more than 50,000 Queensland businesses will be severely affected by the electricity price hike.

The Queensland Competition Authority gave retailers the green light to impose a 13.29 per cent increase in electricity costs.

MakeItCheaper.com.au reckons SMEs in southeast Queensland are going to be hardest hit.

``These big bills could destroy businesses throughout Queensland," said **MakeItCheaper**.com.au CEO Tim Wolfenden.

``Many business owners don't even realise they can change their energy provider. No one's locked into a contract they can't get out of, and any penalties for breaking a contract are quickly recouped when ongoing costs are slashed."

Rajesh Patel, owner of the Caltex garage in Bli Bli on the Sunshine Coast, said he has saved \$500 a month since contacting the broker and switching to a new supplier.

``I knew we were in a competitive market so I should be able to get a better deal. I looked online and found www.makeitcheaper.com.au and gave them a call. After a few conversations about my energy use they came up with a deal that will save me \$6000," Mr Patel said.

Restaurants, cafes and shops that require fridges rely heavily on their power supply.

Mr Dean at Foodworks received seven offers from different electricity suppliers through **MakeItCheaper**, based on the business's annual consumption. ``The best part is that it cost us nothing - the electricity company pays a fee to **MakeItCheaper**," he said.