

# Media Release

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## **DAVID SOUTHWICK MP**

Shadow Minister for Innovation

Shadow Minister for Energy and Resources

Shadow Minister for Renewables

State Member for Caulfield

Wednesday 16 September 2015

### **Auditor-General slams Labor's costly smart meter program**

#### **Background**

The Auditor-General [today released](#) its report 'Realising the Benefits of Smart Meters'.

The report found that by the end of this year Victorians will have paid an estimated \$2.23 billion in higher power bills to pay for a project which the Labor Government rolled out.

Labor's smart meter program was originally expected to cost around \$800 million. Source – [media release](#).

#### **Quotes from the VAGO report**

"The average residential household has paid around \$760 since 2009."

"...serious flaws in the program's original business case"

"...there is now expected to be a substantially increased net cost to consumers"

"...manifest problems with the estimation and control of costs and benefits"

"...while few benefits have accrued to consumers, benefits realisation is behind schedule and most benefits are yet to be realised."

"There is a risk that the program's most recent 2011 estimate of a net cost of \$319 million to consumers may worsen as costs are projected to increase and benefits remain decidedly uncertain."

#### **Comments from Shadow Minister for Energy and Resources David Southwick**

"This report dispatches Labor's smart meter project into their own hall of shame along with myki, desal and the decision to scrap the East West Link that cost over \$800 million.

"This is a damning report by the independent Auditor-General which has slammed another costly Labor project where costs have blown out and consumers have failed to benefit.

"The Auditor-General has exposed Labor for massively pushing up power prices for householders and businesses across Victoria for a project which has failed to deliver."

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