

## Energy reforms simplifying energy deals

Reforms to Victoria's energy industry introduced by the Essential Services Commission are delivering a less confusing market, according to the latest report from the state's independent economic regulator.

The March Victorian energy market update shows changes to the energy rules have helped simplify the market, making it easier for consumers to compare energy deals.

Acting executive director energy Dean Wickenton says the market is getting easier to navigate.

"We are seeing more transparency in the marketing of energy deals with only seven per cent of market offers with conditional discounts compared to one in three just a year ago.

"We're now seeing fewer big headline discounts with no standard comparator that made it hard for customers to work out if they were getting a good deal," he said.

The report shows however that while energy prices are dropping and economic conditions appear to be improving, the number of customers unable to meet their bills continues to rise.

Mr Wickenton says with disconnections resuming after being suspended during the height of the pandemic, the prospect of a wave of disconnections is a worry.

"There have been just over 2000 residential customers disconnected in 2021 and the level of arrears has increased for both electricity and gas.

"On Friday, the commission [extended temporary rules introduced in October 2020](#) that require energy companies to provide additional help beyond the existing safety net framework following a sharp rise in disconnections in March," he said.

The commission is urging customers who are behind to contact their retailer to discuss setting up an affordable payment plan.

The [report](#), now available on the commission's website, shows from 1 July to 31 December 2020:

- three generation, eight retail and one transmission licence were granted for electricity and two gas retail licences.
- the median residential electricity price dropped six percent and gas four per cent.
- retailers paid almost \$1 million in penalties or refunds to customers for incorrect charges or failing to include best offer messages on bills.

**For further information call: David Jarwood, Senior Media Adviser, 0492 805 003**