



15 June 2020

Kate Symons  
Commissioner and Chairperson  
Essential Services Commission  
Level 37, 2 Lonsdale Street  
Melbourne, Victoria 3000

Dear Ms Symons,

**RE: MAXIMUM PRICE FOR EMBEDDED NETWORKS AND OTHER EXEMPT SELLERS**

Origin Energy (Origin) welcomes the opportunity to respond to the Essential Services Commission's (ESC) Draft Decision on the maximum prices that embedded networks and other exempt sellers may charge customers.

Consistent with our submission to the Consultation Paper, Origin agrees with the ESC's recommendation to use Victorian Default Offer (VDO) prices as the maximum prices for residential and small businesses customers (with usage up to 40 megawatt hours of electricity per year).

We consider that the VDO also represents an appropriate benchmark for the price of electricity for customers within an embedded network, regardless of whether the customer is served by a licenced retailer or an exempt seller. This will ensure that customers in an embedded network receive consistent price protections compared to mass market customers.

We believe setting the VDO as the maximum price will still allow service providers with the flexibility to accommodate a range of tariff options and to tailor tariffs to suit customer needs as appropriate.

We agree with the ESC that the VDO is not an appropriate maximum price for some customer categories as identified by the ESC and the local area retailers' standing offer prices should apply for these customers.

We note that the ESC proposes a 1 September 2020 implementation date as opposed to 1 July 2020. Origin considers the ESC's proposal is appropriate under the circumstances. We consider that the delayed implementation allows for appropriate consultation and provides participants with additional time to transition to the new arrangements.

If you have any questions regarding this submission, please contact Gary Davies in the first instance on (07) 3867 0620.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sean Greenup".

Sean Greenup  
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