

21 July 2020

ESC VDO Team  
Essential Services Commission  
Level 37, 2 Lonsdale Street  
Melbourne Victoria 3000  
[VDO@esc.vic.gov.au](mailto:VDO@esc.vic.gov.au)

Dear ESC VDO Team,

## **Submission in response to the Victorian Default Offer 2021 – Consultation Paper**

Thank you for the opportunity to provide this submission on the Victorian Default Offer 2021 – Consultation Paper (**Consultation Paper**).

Elysian Energy remains supportive of measures used to calculate the Victorian Default Offer (**VDO**) to provide a simple, trusted and reasonably priced electricity option that safeguards consumers who are unable or unwilling to engage in the electricity market. Further, the objective is consistent with Elysian Energy's approach of giving customers a "fair go" and providing great value, simple energy plans that ensure all our customers are on the best rate.

We would also like to provide feedback on the following question for stakeholders:

*Should the commission change the length of the regulatory period beginning 1 January 2021 to 6 or 18 months? If so, what are the reasons for why we should make this change?*

Elysian Energy would like to see an 18-month determination for the VDO. The major benefit of this determination is price certainty for customers who are both confused by the electricity market and dealing with significant changes due to COVID-19.

An 18-month determination would align with the Essential Service Commission's (**ESC**) intention to only increase the VDO once during a financial year and the Victorian Government's intention to align the VDO price change with the financial year. Retailers would also avoid the additional administrative costs incurred from a 6-month determination, i.e. the costs incurred from explaining multiple price changes to customers.

A 6-month determination, in contrast, would add an undesirable layer of complexity to the electricity market during this challenging and turbulent period.

If you have any queries in relation to this submission, please contact me directly on 03 9988 8541 or [scottw@elysianenergy.com.au](mailto:scottw@elysianenergy.com.au).

Yours sincerely,



Scott Wells  
CEO