

Next steps for the Victorian Default Offer 2021

Variation to the current Victorian Default Offer price determination

Submission received via Engage Victoria

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What do you think about our proposed approach to account for changes to network tariffs in the current Victorian Default Offer price determination?

Residential customers of embedded networks face the highest energy charges in Victoria (being the VDO), the lowest levels of customer service (no full service websites and third party payment methods) and the highest barriers to exit from their current supplier (a new meter is required, which invariably Bodies Corporate will not even allow).

By using the Vic Energy Compare website I could save \$430 annually on a \$980 estimated bill on the VDO. But I cannot switch due to barriers to exit.

Embedded energy customers are disproportionately likely to be renters and on lower incomes. Embedded network companies are likely to have the highest returns of all energy companies given they charge at the VDO and have lower customer service.

The ESC should implement a new VDO specifically for embedded customers recognising that such customers are unable to access the competitive market.