

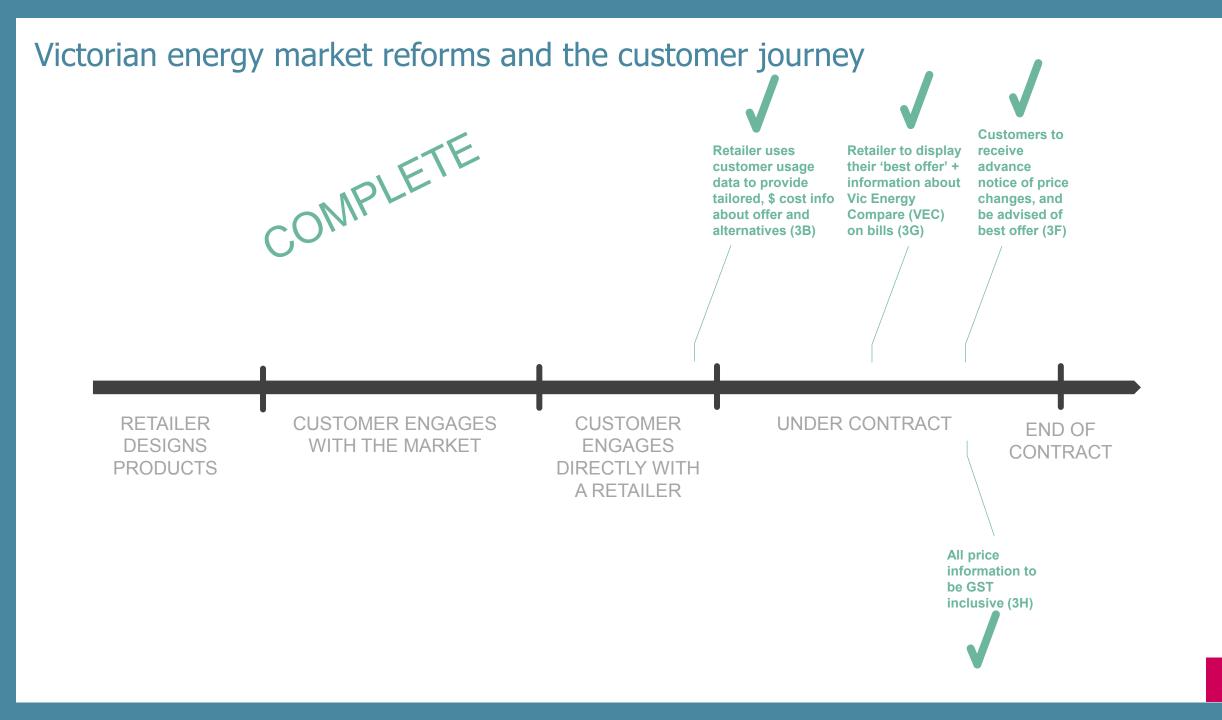
Sarah McDowell

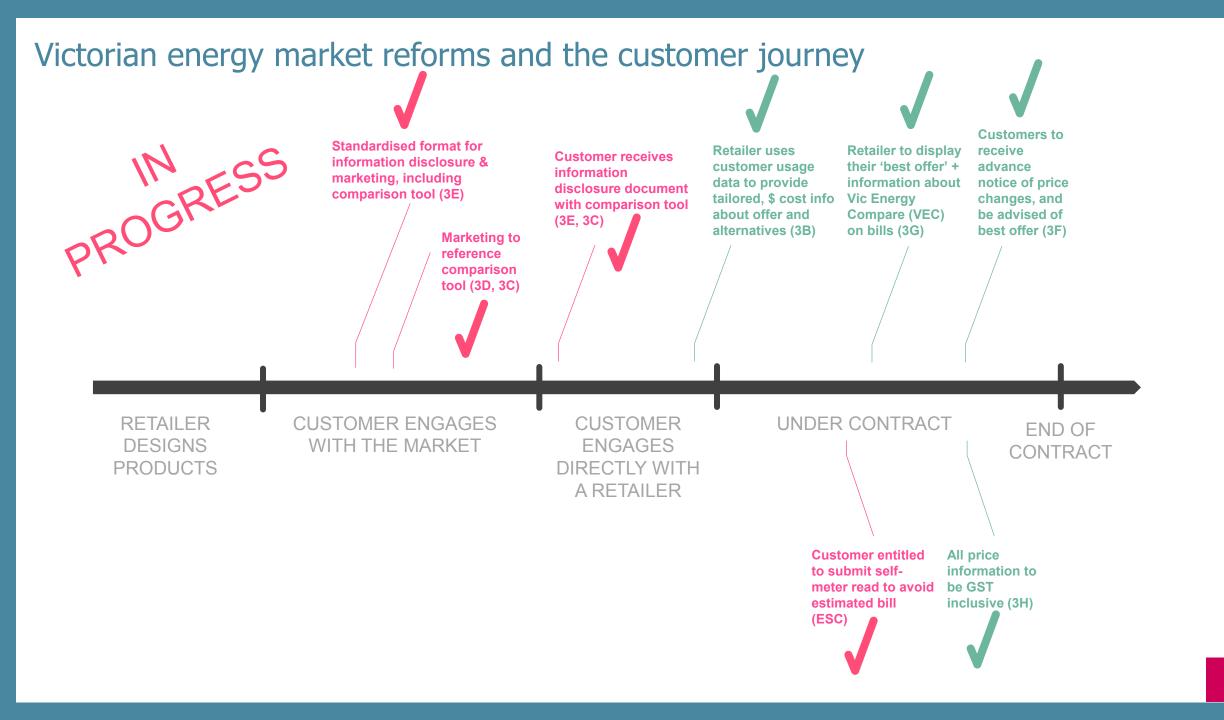
Director, Energy



Victorian energy market reforms and the customer journey







Victorian energy market reforms and the customer journey **Customers to** Standardised format for Retailer uses Retailer to display receive **Customer receives** Retailers to offer a information disclosure & their 'best offer' + advance customer usage Customers to be information Victorian Default Offer marketing, including notice of price data to provide information about rolled onto nearest (VDO) (1 &2) disclosure document comparison tool (3E) tailored, \$ cost info **Vic Energy** changes, and matching offer (4C) with comparison tool about offer and Compare (VEC) be advised of (3E, 3C)Size of conditional alternatives (3B) on bills (3G) best offer (3F) Marketing to discounts capped reference at cost to business comparison (4E) tool (3D, 3C) RETAILER **CUSTOMER ENGAGES** CUSTOMER **UNDER CONTRACT** END OF DESIGNS WITH THE MARKET **ENGAGES** CONTRACT Upcoming **DIRECTLY WITH A RETAILER Customer entitled** All price to submit selfinformation to meter read to avoid be GST No marketing of estimated bill discounts in % inclusive (3H) Prices to be fixed (ESC) terms (3A) for 12 months (4A) Retailer disclose Conditional how long prices discounts to be remain unchanged (4B) evergreen (4D) 5



Marcus Crudden

Director, Pricing



Purpose

- Re-engage with stakeholders involved in our 2018 consultation on a reference price
- Outline staff views on commission process to arrive at a VDO for implementation by 1 July 2019
- Seek feedback on some key matters related to setting a VDO, such as specific method to calculate costs

Structure

- Link to earlier work on reference price (March 2018)
- Proposed process to arrive at a VDO
- How staff propose to estimate a VDO
 - Use cost based approach
 - Get feedback on key issues, such as data sources
 - Time period for first VDO (6 or 12 months?)
 - Recognise our approach may evolve over time
 - Key issues: wholesale costs, retail costs and margin
 - Invite submissions (informed by workshops)

Delivering a clear, transparent and reproducible methodology is a key objective

Process

- Staff discussion paper today (21 December 2018)
- Workshops with stakeholders 21 January 2019
- Methodology paper early February 2019
- Draft decision early March 2019
- Final decision early May 2019

We will publicly consult with stakeholders throughout