

The Hon Lily D'Ambrosio MP Minister for Energy, the Environment and Climate Change Minister for Solar Homes



Tuesday, 25 May 2021

NEW RULES FOR ENERGY RETAILERS TO PROTECT HOUSEHOLDS

The Andrews Labor Government will phase in a ban on door-to-door sales of energy products and introduce penalties of up to \$1 million for energy retailers that wrongfully disconnect vulnerable Victorians as part of new legislation, introduced to the Parliament today.

Minister for Energy, Environment and Climate Change Lily D'Ambrosio said the Energy Fairness Bill will protect Victorian households and businesses from aggressive and exploitative practices by energy retailers.

This is one more step in the Labor Government's reforms of the state's energy market, making contracts fairer, improving competition and providing clear and tough penalties to protect Victorians.

The legislation will increase penalties up to \$1 million for energy retailers who arrange the wrongful disconnection of vulnerable customers. This is to protect customers in particular who are on payment plans or who require electricity for life support.

The Government is also introducing penalties of up to \$1 million for gas and electricity licensees who provide false or misleading information to the Essential Services Commission.

The Government will ban electricity and gas retailers from using high pressure sales tactics for energy retail contracts, such as door-to-door sales or cold-calling. This ban will come into effect on 31 December 2021.

Additionally, door-to-door sales will be banned for solar businesses, under the Solar Homes Program. This ban will come into effect on 1 September 2021.

The Bill will also ban 'save' and 'win-back' offers, which often include short-term discounts but end up costing customers more in the long run. This misleading tactic is used by retailers to stifle competition and by banning them, customers will be able to judge the genuine best price in the market – and not just for a limited time.

This Bill delivers on election commitments from the Labor Government to create a fairer, more transparent energy retail market for Victorian customers under the Energy Fairness Plan. Since the last election, the Labor Government has lowered retail electricity prices by 10 per cent and halved the number of disconnections.

Quotes attributable to Minister for Energy, Environment and Climate Change Lily D'Ambrosio

"We are banning high-pressure sales tactics like unsolicited door-to-door sales and cold-calling to protect Victorian households from being taken advantage of by dodgy energy companies."

"We're putting energy companies on notice – If you have wrongfully disconnected households you will pay a penalty of up to \$1 million."