

Media Release

The Hon Lily D'Ambrosio MP

Minister for Climate Action

Minister for Energy and Resources

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PENALTIES OF UP TO \$10M FOR ENERGY DISTRIBUTION BUSINESSES

The Andrews Labor Government is enhancing consumer protections for Victorian households by increasing the penalties for gas and electricity distribution businesses that break the rules.

The new penalty amounts will apply to Victorian gas and electricity distribution businesses for breaches of the Electricity Distribution and Gas Distribution System Codes of Practice that result in severe consumer harm or adverse market outcomes.

Under the changes, breaches that lead to the most severe types of consumer harm, such as insufficient notification of unplanned interruptions or failing to appropriately register life support customers, could face court-ordered penalties of up to \$10 million.

This brings the penalties gas and electricity distribution businesses face in line with those that have applied to energy retailers since 2021.

Breaches that do not lead to severe types of consumer harm, such as improper complaints handling and not providing Guaranteed Service Level Payments, could attract court-ordered penalties of up to \$1.5 million.

The new penalties build on the Labor government's Energy Fairness Plan and *Energy Legislation Amendment (Energy Fairness) Act 2021* which banned unsolicited door-to-door sales, cold-calling and 'win back' and 'save' offers by energy retailers.

The Government will also work on introducing higher maximum civil penalty amounts as part of the new Gas Distribution Code of Practice to be released next year. This will ensure better outcomes for gas customers and those transitioning away from gas.

Quotes attributable to Minister for Energy & Resources Lily D'Ambrosio

"Victorians count on energy companies to follow the rules set up for their protection – that's why we're making sure penalties are serious enough to deter energy distribution businesses from breaking these rules."

"Victoria is undergoing a once-in-a-generation renewable energy transition and this government is making sure Victorians remain well-protected now and into the future as we navigate the road to net zero by 2045."