

# Media Release

The Hon Lily D'Ambrosio MP  
Minister for Climate Action  
Minister for Energy and Resources  
Minister for the State Electricity Commission



Tuesday, 30 September 2025

## CRACKING DOWN ON ENERGY RETAILERS TO SAVE YOU MONEY

The Allan Labor Government is cracking down on big energy companies by strengthening consumer protection laws and helping save families money on their energy bills.

Minister for Energy and Resources Lily D'Ambrosio today announced changes to the Energy Retail Code of Practice, making them the strongest in the nation and putting \$258 back into the pockets of Victorians each year.

Energy retailers will be required to automatically switch customers in payment difficulty, and customers who have had debt on their energy bill for more than three months and over \$1,000 debt, onto their best offer. This will save 75,000 electricity and 60,000 gas customers a total of \$27.8 million per year. Customers can opt-out.

Victorians on older contracts often pay higher rates because they haven't switched plans. That's why we're also introducing a reasonable price limit on energy plans over four years old.

This will stop busy working families being ripped off by the 'loyalty penalty' business model where customers sign up to cheap offers, that end up more expensive over time. Around five per cent of customers haven't changed plans in more than five years and are missing out on potential energy bill savings of up to \$730.

We're also increasing protections against disconnection by raising the minimum debt amount that customers must have before a retailer can try to disconnect them from \$300 to \$1,000.

Other changes include capping fees for things like paying bills at the post office or paying late, and banning direct debit only offers – so that customers who don't or can't pay via direct debit can access cheaper offers.

For some low-income families, direct debit is hard to manage when payments are taken straight from their account which can lead to additional bank fees or overdrawn accounts if their balance is low, adding financial stress.

We're also making sure energy retailers check their customers are eligible for an energy concession more often, so customers can access savings of up to \$260 per year, if their circumstances change and they become eligible.

For energy immediate energy bill relief, Victorians with an eligible concession card can apply for the \$100 Power Saving Bonus now, so far more than 141,000 applications have been received.

These reforms were introduced at the request of the Minister and will be enforced by the independent Essential Services Commission (ESC), taking effect in stages, from February 2026. More information can be found at [esc.vic.gov.au/electricity-and-gas](https://esc.vic.gov.au/electricity-and-gas).

### Quotes attributable to Minister for Energy and Resources Lily D'Ambrosio

*"We're putting an end to business tactics that have been ripping Victorians off – because we're on your side, not the side of big energy companies."*

*"We're giving the ESC more powers to force retailers to offer lower bills to vulnerable households, putting money back in their pockets."*

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**Quote attributable to Member for Mulgrave Eden Foster**

*“We are backing families who are doing it tough with better cost of living support and cheaper energy bills.”*

**Quote attributable to Essential Services Commission Chairperson and Commissioner, Gerard Brody**

*“For customers facing significant debt or payment difficulties, retailers will now be required to take the basic step of moving them onto the cheapest plan. For others, the process of switching to the best offer must be simple and effective. The savings are substantial and can make a real difference to people struggling with the cost of living.”*