

Media Release

The Hon Lily D'Ambrosio MP

Minister for Energy, Environment and Climate Change
Minister for Solar Homes



**DELIVERING
FOR ALL VICTORIANS**

Thursday, 21 March 2019

VICTORIAN DEFAULT OFFER BILL PASSES UPPER HOUSE

Victorian families and small businesses will be able to demand a fair deal on energy and save hundreds of dollars on their power bills, thanks to the Andrews Labor Government.

Legislation to set a Victorian Default Offer has passed the Upper House, abolishing costly standing offers and requiring energy retailers to offer a fairer price on energy.

The legislation empowers the Essential Services Commission (ESC) to determine a fair price and work with retailers to enforce it.

The ESC recently released draft advice to the Government on setting the Victorian Default Offer and recommended a price that would save a typical residential customer between \$390 and \$520 per year, and a typical small business customer between \$1,800 and \$2,300 per year.

From 1 July, Victorian households and small businesses on standing offers will automatically be placed on the Victorian Default Offer – there are currently more than 145,000 Victorian families and around 45,000 small businesses currently on the costly offers.

An expert panel has been established to advise the Government on determining a fair price for electricity – the panel will work with the ESC to ensure Victorian consumers are front and centre of the Government's reforms.

The expert panel will be chaired by Claire Thomas and as well as regulatory economist Dr Kris Funston, consumer advocate Catriona Lowe and the Secretary of the Department of Environment, Land, Water and Planning John Bradley.

While the Morrison Minority Government is fighting amongst itself on energy policy, only the Labor Government is getting on with delivering lower and fairer energy prices for Victorian families.

The new measure is part of the Labor Government's final response to the bipartisan Independent Review of the Electricity & Gas Retail Markets in Victoria.

The Victorian Default Offer builds on the Government's work to help Victorians take control of their energy costs by putting solar panels on 770,000 homes – more than 30,000 Victorian households have applied for the program.

We've also helped more than 300,000 people compare their energy offer through our \$50 Power Saving Bonus, saving on power bills.

Quotes attributable to Minister for Energy Lily D'Ambrosio

"Hard working Victorians are sick of being ripped off by energy retailers – with this legislation passing the upper house we've abolished these unfair deals."

"This is one of the biggest reforms to the energy sector in over a decade – only a Labor Government is delivering the changes needed to hold the big energy companies to account."

"This is just one of the ways we're putting power back into the hands of Victorians, as we put solar panels on 770,000 homes and cut the cost of energy."

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