

Industry response to pandemic ‘a positive sign’

30 November 2020

Electricity and gas

Victoria’s independent economic regulator says the energy industry has supported customers through the coronavirus pandemic to date and hopes this continues into the new year.

The Essential Services Commission’s [2019–20 annual energy market report](#) shows 50 thousand Victorian households and small businesses received assistance with their energy bills as the pandemic hit household incomes.

Commission chairperson Kate Symons says there was also a big increase in applications for government utility relief grants.

“There was a 73 per cent increase in utility relief grants with more than 50,000 applications being approved.

“The sector stopped disconnecting customers for non-payment in mid-April and also recognised that pursuing outstanding debts during restrictions was not appropriate,” she said.

Ms Symons says the energy sector responded positively to new rules introduced as a response to the pandemic to ensure small business got the same protection as households.

“That retailers also voluntarily offered to help more than 3,000 small business customers with their bills is a positive sign the sector is responding to calls to rebuild trust with the community,” she said

Ms Symons says the commission is playing its part by holding energy businesses to account when they do the wrong thing.

“We issued penalty notices worth more than \$2,080,000 in 2019–20 to five energy companies for breaching the energy rules.

“Breaches included signing up customers without their explicit informed consent or failing to inform vulnerable customers of overcharges,” she said.

The report also shows:

- offers without discounts are now the most common type of offer – this follows rule changes designed to simplify the market so customers [‘know what they’re getting’](#)
- the median cost of not meeting a discount was slashed by 75 per cent from \$419 to \$101
- energy prices have stabilised – while offers increased slightly, between 2 and 7 per cent, the gap between the cheapest and most expensive offer narrowed by 14 to 30 per cent.

This [Victorian Energy Market Report 2019–20](#) is now available on the commission’s website.

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