

Consultation starts on default offer for 2020

The state's energy regulator has started consultation on setting next year's Victorian Default Offer prices for electricity.

In line with commission advice, the Victorian Government set the first default offer introduced on 1 July 2019 resulting in immediate savings for many households and small businesses.

The Essential Services Commission's pricing director Marcus Crudden says they've now commenced a review of the prices to apply from 1 January 2020 which will be in line with annual changes to network pricing.

"We are seeking feedback to ensure the default offer continues to provide customers with access to a simple, trusted and reasonably priced electricity option.

"Our review will involve an updated assessment of the different costs that make up electricity bills, including the cost of distribution and generation of energy," he said.

Currently, the default offer prices apply to simple standing offers with a flat tariff structure and controlled load. From 1 January 2020, the default offer will also apply to standing offers with a non-flat structure, including time of use and flexible tariffs.

The [Victorian Default Offer 2020 issues paper](#) is open for consultation until 12 August 2019.

The commission intends to issue a Victorian Default Offer price determination in late November 2019, and will consult throughout our process.

More information about the commission's broader reform aimed at empowering customers to get a better electricity deal is available at <https://www.esc.vic.gov.au/electricity-and-gas/tariffs-and-benchmarks/victorian-default-offer/victorian-default-offer-price-review-2020>

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