

Annual Report 2020–21 Extract



From the chairperson



Commissioner and chairperson
Kate Symons

When I look back over the past year and the hurdles the pandemic has presented, I'm incredibly proud at how we have adapted to continue to deliver positive outcomes for Victorians. Notwithstanding the uncertainty; the resilience, integrity and flexibility shown by staff has been extraordinary.

The commitment of our staff, executive and commissioners to protecting the long term interests of Victorian consumers remains unwavering.

We delivered many firsts this year. Our first inquiry into the setting of land rents at the Port of Melbourne. Our first strategy to improve access to essential services for people experiencing vulnerability. Our first enforcement matter where an energy business paid more than one million dollars after they placed conditions ahead of offering payment assistance to customers, contrary to the energy safety net.

At the same time, we continued to deliver for Victorians every day across our usual work program. Approving new energy generation and retail licences. Making pricing decisions to ensure Victorians have access to a fair price for electricity. And administering the biggest energy certificate program in Australia, giving households and businesses access to discounted products and services.

The impact of the pandemic

The pandemic continued to affect the way we work and had a major impact on the consumers we protect and the businesses we regulate.

To ensure we could respond quickly to emerging issues we monitored the impact of the pandemic on households and small businesses in relation to their essential services. We brought consumer advocates and industry leaders together at regular roundtables and we introduced new rules to protect those experiencing vulnerability.

We have a strategy to protect consumers experiencing vulnerability

In August, we published a strategy **Getting to fair** aimed at breaking down the barriers that block access for consumers experiencing vulnerability across the sectors we regulate.

For me, it really brought home what an important and privileged role we have to support and ensure accessibility and fairness for the community.



In developing the strategy, we heard directly from 37 Victorians through a community panel – to really understand the experiences of Victorians. This experience will undoubtedly be one of the key highlights in my term as chairperson.

The release of the strategy was a critical milestone of the past year. It represented the latest step in a journey we have been on for more than five years to put the experience of consumers at the heart of our decision making.

I'm incredibly proud of this work and look forward to working with the community, the advocacy and help services sector, the businesses we regulate and government to really make a difference for Victorians.

We continue to act where we see businesses not following the rules

This year we built on our compliance and enforcement capability – holding businesses to account where they don't follow the rules.

We issued penalty notices for alleged breaches of the energy rules, with total penalty notices of more than \$2.5 million being paid by four energy retailers. This included a case of one energy business being issued notices for placing unnecessary hurdles in the way of customers accessing support, contrary to the energy safety net rules.

We also required the surrender of certificates worth more than \$1.6 million from two accredited providers in the Victorian Energy Upgrades program after investigating alleged fraudulent conduct.

My thanks to Commissioner Sitesh Bhojani who continues to lead our enforcement work with an unwavering commitment to protecting the community. And to our staff for their efforts to achieve those positive outcomes.

We connected and listened

Maintaining an open and transparent dialogue with our stakeholders was again a key focus in 2020–21.

We held industry forums with the water, energy and energy efficiency sectors and six roundtables with the community sector. They helped us fully understand the impact of the pandemic, the concerns and challenges being felt in the community and the effect on our regulated sectors.

One interesting observation is that more people attended public forums to discuss our pricing decisions than ever before. The willingness of senior industry leaders – especially from the energy sector – who have joined us for online sessions has also been welcomed.

A team effort

It has been an absolute privilege to continue to lead the commission over the past year. My sincere appreciation to my fellow commissioners Sitesh Bhojani, Rebecca Billings and Simon Corden for their ongoing support and the valued perspectives they bring to our decision making. And to our chief executive officer, John Hamill, for your measured approach and your genuine support to our staff and their wellbeing throughout this challenging time.

None of this is possible however without the perseverance of every individual executive and staff member – my heartfelt appreciation for everyone's efforts to make a real difference for Victorians.

Kate Symons
Chairperson

Snapshot 2020–21



240
penalty notices

Four energy companies were issued penalty notices totalling \$2.515 million for alleged breaches of the energy rules affecting more than 6131 Victorians. This included: failure to obtain explicit informed consent before switching customers, putting conditions on providing payment assistance, failing to adequately explain new charges and solar discrimination.



COVID
protections

We supported Victorian households and small businesses affected by restrictions by:

- increasing safeguards against disconnection and debt collection
- requiring energy companies to help customers applying for relief grants and concessions
- updating water customer codes to align with national principles.



44
events

We connected more than ever before with 44 online public and stakeholder events, hearing from regulated businesses, consumers and community workers.



414
megawatts of
energy generation

We issued 18 energy licences including four renewable generation licences for wind, solar and battery farms, supporting an increase in the state's energy generating capacity.



835,000
views

We promoted **It's your energy** rights to Victorians on radio (1.94 million listeners), newspapers (578,000 circulation), Facebook (308,000 users) and video on pay TV and online (835,000 views). Awareness of the 'best offer' message on your energy bills almost doubled between June 2019 and December 2020.



6 million+
certificates registered

More than 6 million certificates were registered in the 2020-21 financial year from over 380,000 Victorian Energy Upgrades undertaken in households and businesses across the state.



27
meetings held

The business continuity team met 27 times during 2020-21 to plan how to keep staff connected and focused on fulfilling our obligations to the community, and look after staff during the pandemic.



11
monthly reports

We published monthly reports on the impact of restrictions on energy and water debt in households and small businesses.



1
vulnerability
strategy

We developed a strategy designed to break down the barriers people experiencing vulnerability face in accessing essential services. The strategy aims to improve how essential services communicate with customers, empower consumers to make choices and seek help when they need it, and promote early identification of customers who need help.



250,000
customers on electricity
default offer

The Victorian default offer – a fair price for electricity – was reduced by 10 per cent for households and 14 per cent for small business in January 2021 mainly due to lower wholesale electricity costs.



\$33
drop in average
water bills

Water prices were set for 2021–22 with average Melbourne household bills set to drop by \$33, and \$7 in regional Victoria.



1 in 5
councils

Of the state's 79 councils, 16 held rates steady at 2019–20 and more stayed below the 2 per cent allowed rate increase. Our 2021 local government outcomes report showed average annual rate increases have dropped to zero per cent since the introduction of caps, compared to 3 per cent annually for the three years prior.

To read our complete Annual Report, please visit [our website](#)

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