

2025-26 Victorian Default Offer

Final decision

May 2025



Acknowledgement of Country



Dill-ba-din Balluk Biik – Protect Community and Country
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Agenda

1. 2025-26 Victorian Default Offer review and consultation
2. Final decision – overview and key outcomes
3. Supporting consumers
4. Publication and supporting information
5. Next steps

2025-26 Victorian Default Offer review

Approach

- ✓ Request for comment paper: 28 November 2024
- ✓ Submissions closed: 24 December 2024

Draft Decision

- ✓ Draft Decision Paper: 13 March 2025
- ✓ Public Forum: 31 March 2025
- ✓ Retailer workshop: 9 April 2025
- ✓ Submissions closed: 11 April 2025

Final Decision

26 May 2025 (today)

2025-26 Victorian Default Offer

New prices in effect: 1 July 2025

Slight increase in VDO

- Average annual bill for domestic customer up \$20 (one per cent)
- Network costs are the main reason for the increase
- We've made some changes to our approach:
 - excluded solar exports from load profile and now included a wholesale cost of exports, removed social cost of carbon due to change in legislation
- Retained five per cent retail operating margin as per our draft decision

Change by cost component – domestic

Cost component	Annual change (\$)	Annual change (%)
Wholesale	\$9	2%
Network	\$23	4%
Retail Operating Costs	\$8	4%
Environment	-\$21	-16%
Other costs	\$3	14%
Retail Operating Margin	-\$3*	-4%
GST	\$2	2%
Total	\$20	1%

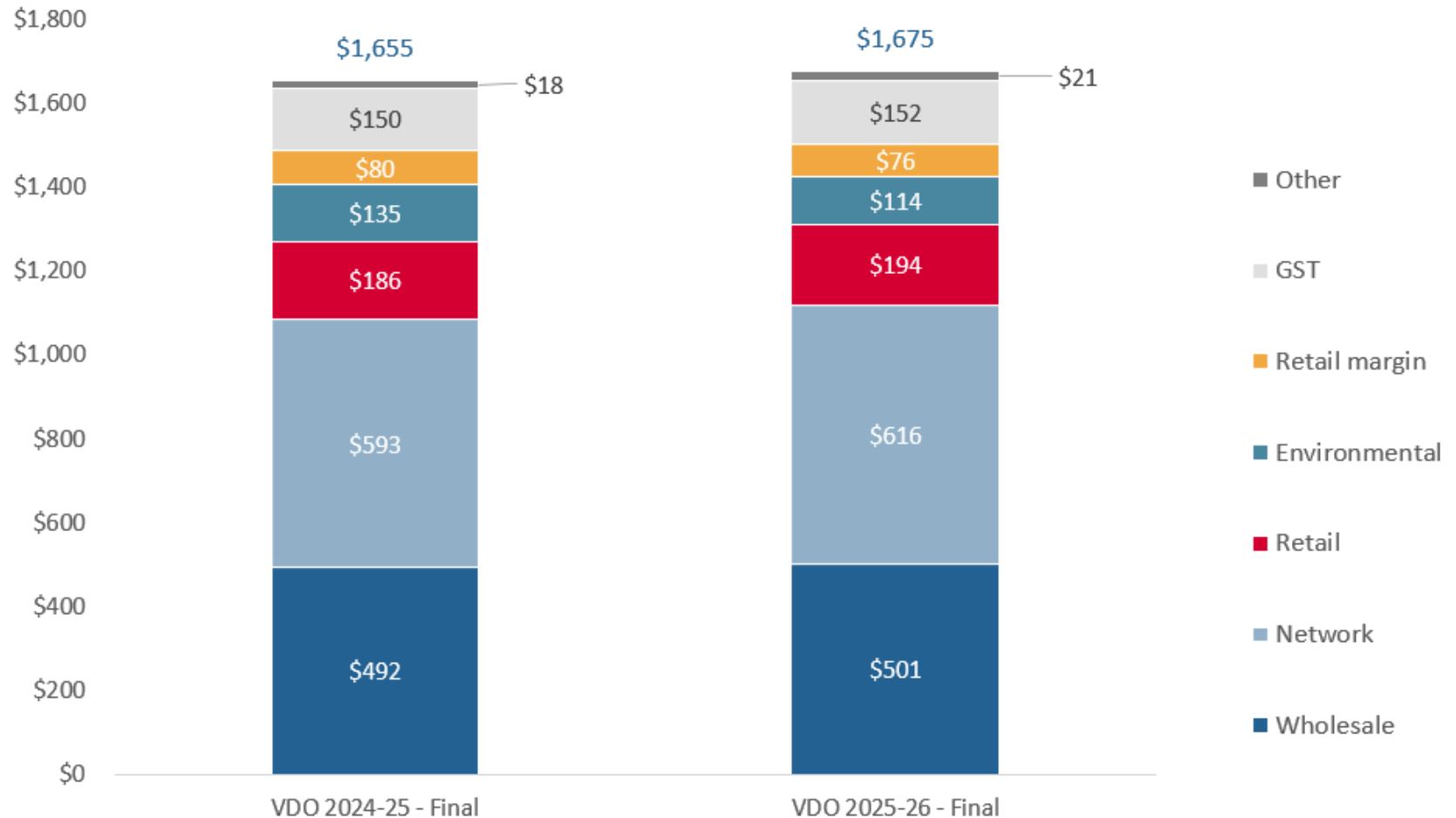
*Table values do not sum to exact totals due to rounding

Increases to 2025-26 Victorian Default Offer

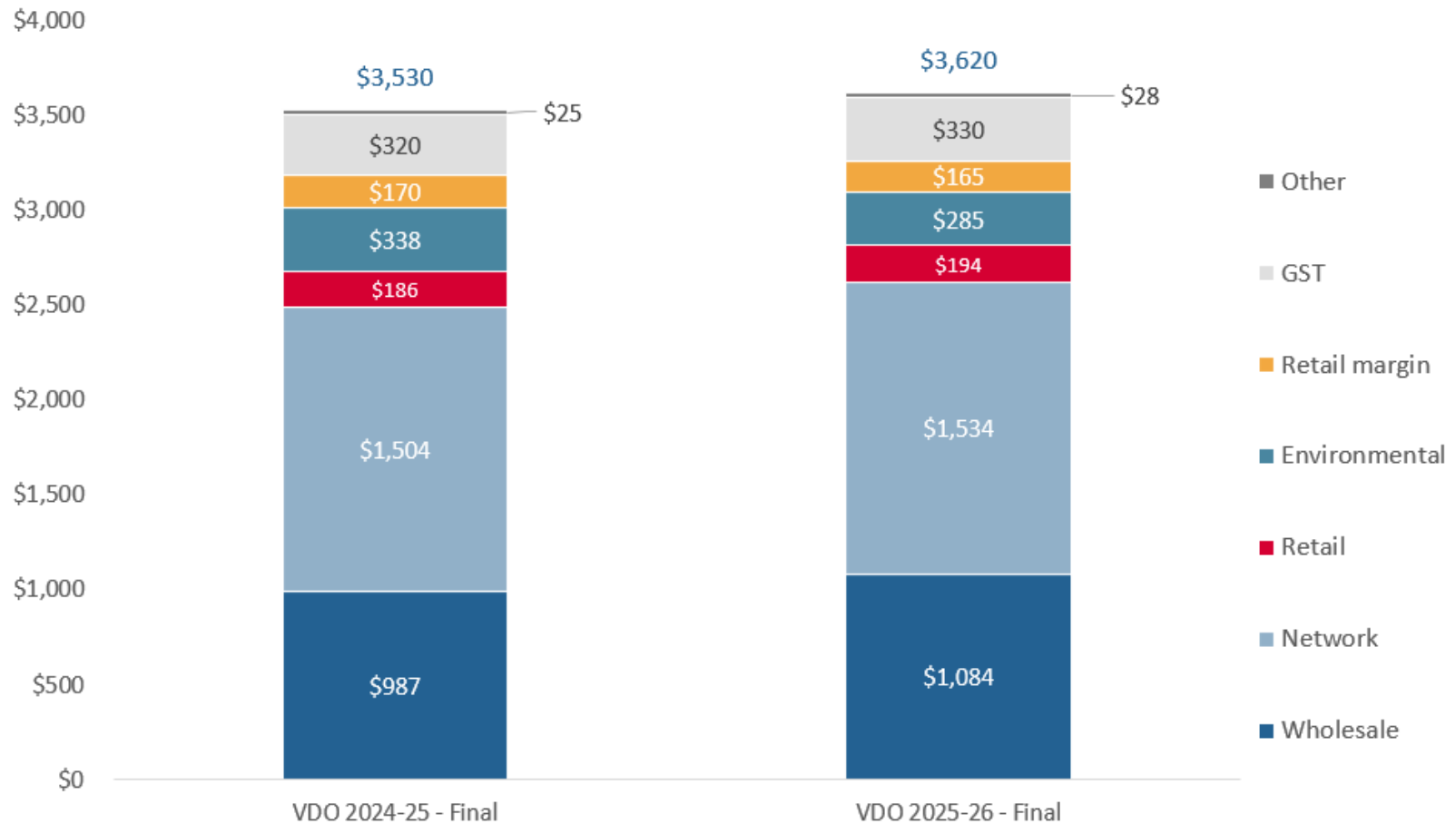
Compared to 2024-25, on average, across all five Victorian distribution zones:

- Typical annual domestic bills would increase from \$1,655 to \$1,675; an increase of \$20 (1%)
- Typical annual small business bills would increase from \$3,530 to \$3,620; an increase of \$90 (3%)

Impact on domestic users with average (4,000kWh) annual consumption



Impact on small business users with average (10,000kWh) annual consumption



Supporting customers

- We recognise the continued impact of prices amid broader cost-of-living concerns.
- Uphold the rights and protections of energy consumers.
- Encourage customers to compare energy offers via the Victoria Energy Compare website – majority of market offers are below Victorian Default Offer.
- Encourage customers to contact their retailer about payment plans, available concessions, rebates, grants

Retailer obligations and compliance

- Obligations to support customers under the Energy Retail Code of Practice and payment difficulty framework.
- Best offer information on energy bill statements.
- Expectation that retailers work with customers to fulfill these obligations:
 - uptake of concessions
 - help with utility relief grant obligations
 - referrals to other assistance.

Session complete

Thank you for your attendance.

- The Final decision paper is available on our website.
- The 2025-26 Victorian Default Offer in effect on 1 July 2025.



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