

## Disconnections down, prices relatively stable

Power disconnections have almost halved since reforms to protect consumers were introduced on 1 January this year, according to a report by the state's energy regulator.

The Essential Services Commission's quarterly <u>market report</u> shows disconnections between January and March this year were 45 per cent lower than at the same time last year.

This translates to six thousand fewer households and small businesses being disconnected in the January to March quarter in 2019 compared to the same period in 2018.

The commission's director of energy Sarah McDowell says the fall coincides with the introduction of a new rules designed to ensure customers are offered help before they fall into a debt-disconnection cycle.

"The new payment difficulty framework came into effect on January 1 but a fall in disconnections started showing through in November last year.

"We're cautiously optimistic this means energy retailers are taking their responsibilities to help customers who are having trouble paying their bills more seriously," she said.

Ms McDowell says the commission will be closely monitoring compliance with the new rules.

The latest report also shows electricity and gas prices have been relatively stable compared to previous years.

Since June 2018, unconditional electricity market offers (no discounts) have risen 7 per cent, discounted offers have increased by 2 per cent and gas prices have increased by 1-2 per cent. By contrast, standard contracts and gas prices increased 16 per cent in 2017–18.

The energy market report also shows:

- discounting remains common practice among retailers
- five new energy generation licenses were issued between March and May this year including two wind farms at Moorabool and a solar farm at Yatpool

The full report is now available on the commission's website at: <a href="https://www.esc.vic.gov.au-victorian-energy-market-report">https://www.esc.vic.gov.au-victorian-energy-market-report</a>.

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