

Victorians invited to have their say on proposed changes to the fair electricity price

The state's energy regulator has kicked off its next review of the Victorian default offer and is seeking feedback from consumers and the energy industry before issuing a decision later this year.

The Essential Services Commission today released a [consultation paper](#) setting out its proposed approach to setting the default offer price from 1 January 2022.

Pricing director Marcus Crudden said it is important for the commission to continually test its proposed approach with stakeholders.

"We want to make sure our approach continues to consider changes in efficient costs and circumstances facing the community and the industry.

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

Introduced on 1 July 2019, the default offer provides all Victorian households and small businesses access to a fair electricity deal.

Mr Crudden said the commission is also seeking feedback on how the current default offer should be updated to reflect changes in network tariffs applying from mid-year and approved by the Australian Energy Regulator.

"It is important that the default offer reflects changes in the structure and level of tariffs, so it continues to reflect the costs facing retailers," he said.

The consultation paper is open for comment on Engage Victoria until 16 June 2021, and a forum will also be held on 20 May for stakeholders to contribute to the discussion.

Stakeholders are invited to [register](#) for the forum.

The commission intends to issue a draft decision in September and a final decision and price determination in late November 2022.

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