

## Media statement

### **Statement from Essential Services Commission chairperson Kate Symons**

We are concerned by media reports today that energy retailers are confusing customers and justifying price increases based on the Victorian Default Offer (VDO) for 2020 and the commission's role in setting the VDO. We are following up on these reports.

Energy companies are free to set prices for market contracts and the commission does not regulate market offers. Any decision to increase market offers is a business decision.

It is important to remember the VDO is an electricity safety net for consumers who want a simple and reasonably priced option. The increase to the VDO that will take effect from 1 January 2020 is a result of a rise in underlying costs but the original savings for those who were moved to the VDO on 1 July 2019 will be largely preserved.

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