

Energy rights FAQ

Victorian Default Offer

When does the Victorian Default Offer - VDO - start?

The Victorian Default Offer will be available from 1 July 2019.

How do I get onto the VDO?

If you're currently on a simple standing offer (and don't live in an embedded network) your retailer should automatically transfer you to the VDO. If this hasn't happened call and ask your retailer.

If you are not on a simple standing offer (e.g. you're on a market offer perhaps with discounts) and you want to be on the VDO just call your retailer and ask them to move you across.

My retailer has refused to put me on the VDO – what can I do?

Unless you are an embedded network customer, you have a right to be on the VDO if you want to be. If your retailer has refused call the Energy and Water Ombudsman 1800 500 509

Will my service levels change?

Your level of service (your customer experience such as billing and communications) is your retailers' responsibility; the VDO will not change the level of service you receive from your retailer. The reliability of your electricity supply will not change.

How much will I save?

This depends on your annual consumption of electricity, and your electricity distribution zone. For example a residential customer currently on a standing offer using 4,000 kilowatt hours of electricity per year could see their annual electricity bill cut by \$310 to \$450 from 1 July 2019.

Who sets the price?

The current price has been set by the government on advice from the Essential Services Commission. From 1 July 2020, the price will be independently set by the commission.

How long does the VDO price last?

The price introduced on 1 July 2019 will apply for six months. From 1 January 2020 a new price will be set by the regulator.

How do I access the 'new' price?

If you're currently on a simple standing offer (and don't live in an embedded network) your retailer should automatically transfer you to the new default offer. If this hasn't happened you need to contact your retailer to ask why.

Who does the Victorian Default Offer apply to?

The Victorian default offer is available to all residential and small business customers who are not in an embedded network. Those currently on simple standing offers will automatically switch to the default offer.

Why aren't embedded network covered under the new VDO?

The Victorian Government has asked the commission to consider prices for embedded networks separately. We anticipate prices for embedded networks will be in place by July 2020.

Best energy offer

What is the best energy offer?

The 'best energy offer' is a retailer's best energy plan suitable for a particular customer based on how much energy you've used over the past year. Your retailer needs to let you know its best energy offer on your bill every 3-4 months.

What are energy retailers obligated to do?

From 1 July 2019 energy retailers will have to:

- tell customers whether they're on the retailer's best energy plan and how much the customer could save by switching to that plan (best offer message), at least quarterly for electricity bills and at least every 4 months for gas bills
- give customers at least five days warning before making changes that will affect the customer's bill (and include the 'best offer' message)
- provide clear and helpful advice about the retailer's best energy plan before signing a customer on to a new energy deal (taking into account all relevant terms and conditions).
- present all prices with GST included to make it easier to compare offers between retailers.

How often will customers be notified of the best offer?

Electricity customers must receive a best offer message every three months, and gas customers every four.

Energy fact sheet

What is the purpose of the energy fact sheet?

The fact sheet is designed to allow Victorians to easily compare different energy plans on the market without having to answer a series of questions or provide granular smart (interval) meter data to generate an estimate of the annual plan cost. The fact sheet will reduce confusion when shopping for a new energy deal. Customers will be able to compare energy plans based on the exact same information for each deal: the average yearly cost of that plan. The costs will be shown for a number of typical customer usage profiles. (E.g. the yearly cost of energy for a small, medium and large sized household.)

How will Victorians access the fact sheet?

Victorians will be able to access the fact sheets through a number of different ways including:

- on the customer's request (electronically or via post)
- on retailer's website or comparator website
- when signing up
- during an online search
- during any telemarketing activity.

Will the fact sheet only compare plans from the same retailer or a range of retailers?

The fact sheet will allow Victorians to compare plans from the same retailer or across a range of retailers. Retailers will host fact sheets on their own websites and consumers will be able to directly compare multiple plans after sourcing fact sheets for each plan from each retailer's website. Each individual fact sheet will present an estimated annual cost based on standardised energy usage profiles across a range of household sizes (1 person, 2-3 people & 4 person+).

Can customers reference the fact sheet when contacting a retailer about a particular energy plan?

Each fact sheet will include a unique offer ID associated with the individual plan being offered by a particular retailer. Customers will be able to reference this ID directly when contacting a retailer over the telephone or via their website. Retailers are expected to be able to identify the particular offer via the unique ID alone without the customer being required to provide any additional personal information.

Payment difficulty framework

What is the payment difficulty framework?

The payment difficulty framework supports residential customers that are having trouble paying their energy bills

The framework has three key objectives:

1. To help residential customers avoid getting into debt with their retailer.
2. To make it easier for residential customers to pay for their ongoing energy use, repay their debt when they have missed a bill and lower their energy costs.
3. To ensure residential customers are only disconnected for non-payment of a bill as a measure of last resort.

What assistance is available?

There are various levels of assistance available to customers experiencing payment difficulty.

If you need help staying on top of your energy bills

You can access three of the following payment options under standard assistance:

- pay smaller amounts more often
- change how often you pay
- delay payment of a bill (you can do this once per year)
- pay in advance when you have the money.

If you have an unpaid energy bill of \$55 or more

Your energy retailer must offer you tailored assistance which includes:

- a plan to pay off your bills (up to two years)
- information on your energy use and how to lower it
- advice on other assistance (including utility relief grants and energy concessions)

Customers that can't afford their ongoing energy use, must also be offered additional help, which includes:

- a pause on your debt payments for six months
- to pay less than the full cost of your energy use (this may be added to the amount you owe later) Thumbnail
- information on your energy use and how to lower it
- advice on other assistance (including utility relief grants and energy concessions)
- the best price that works for you
- practical help to reduce your energy bills (for example, use of energy efficiency products).

Who can customers talk to?

Customers can talk to the business that sends their electricity or gas bills.

Customers can find a copy of their hardship policy on their website or request a copy to be sent to them.

If they can't help, customers can call the Energy and Water Ombudsman (Victoria) on 1800 500 509 (free call).