

2025-26 Victorian Default Offer Draft Decision Overview

12 March 2025



Agenda

Agenda

Opening remarks

- Acknowledgement of Country
- 2025-26 Victorian Default Offer review timeline

Draft decision

- Overview
- Key outcomes

Supporting consumers

- Customer supports
- Retailer obligations and compliance

Closing remarks

- Publication and supporting information
- Next steps

Acknowledgement of Country



Dill-ba-din Balluk Biik - Protect
Community and Country by Wurundjeri,
Yorta-Yorta artist Simone Thomson.
Reproduced with permission.

2025-26 Victorian Default Offer review timeline

Approach

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

Draft decision

- Draft decision paper: 13 March 2025
- Public forum: 11:00am 31 March 2025
- Submissions close: 11 April 2025

Final decision

By 24 May 2025

2025-26 Victorian Default Offer

New prices in effect: 1 July 2025

Victorian Default Offer slightly higher under draft decision

- Average annual bill for domestic customer up \$12 (less than one per cent)
- Main reason for increase is network costs
- We've maintained consistency with last year's decision however some key changes have been made:
 - wholesale electricity costs methodology: excluded solar exports from load profile
 - updated retail operating margin

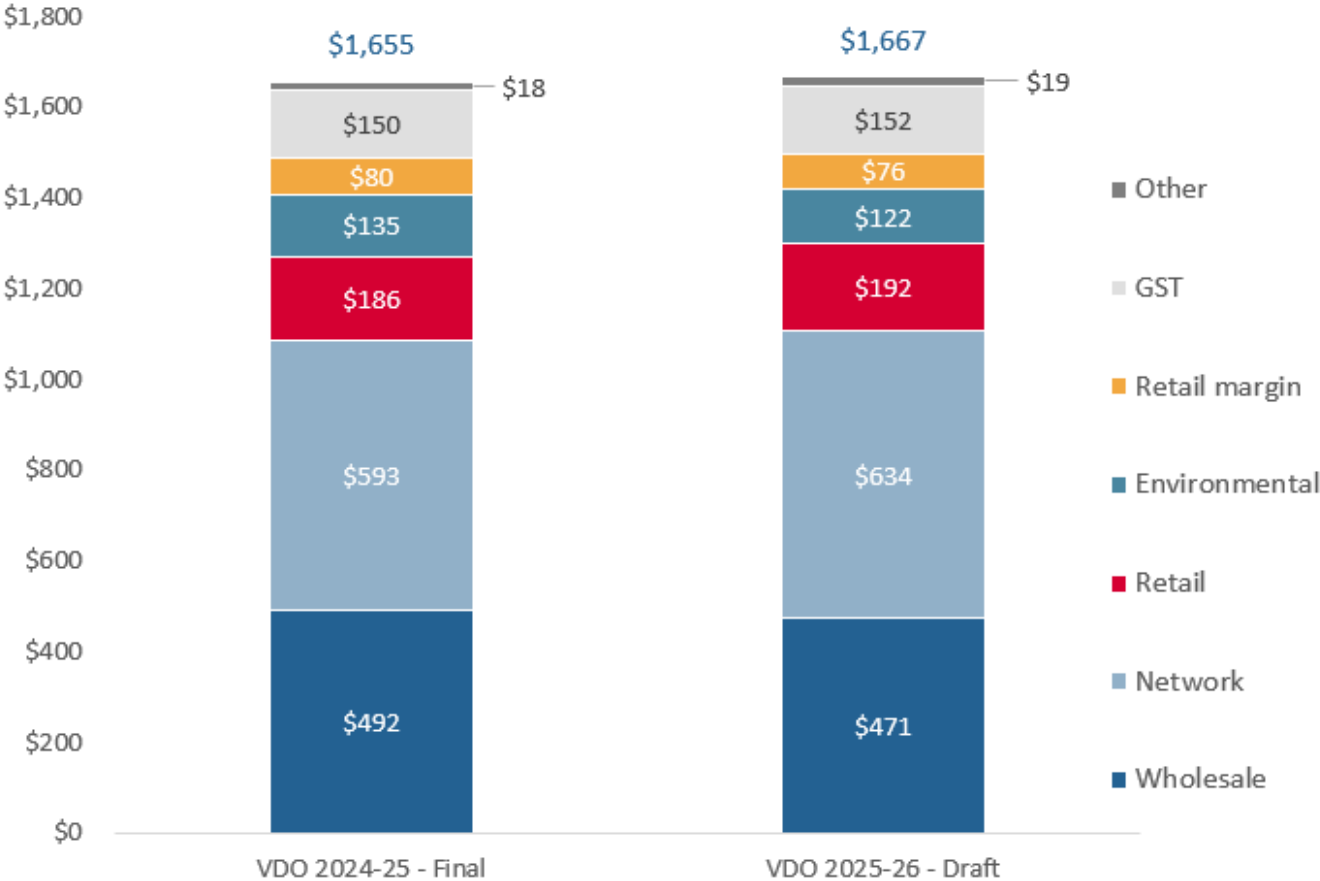
Change by cost component – domestic customer

Cost component	Annual change (\$)	Annual change (%)
Wholesale	-\$21	-4%
Network	\$41	7%
Retail Operating Costs	\$6	3%
Environment	-\$13	-9%
Other costs	\$1	6%
Retail Operating Margin	-\$4	-5%
GST	\$2	1%
Total	\$12	1%

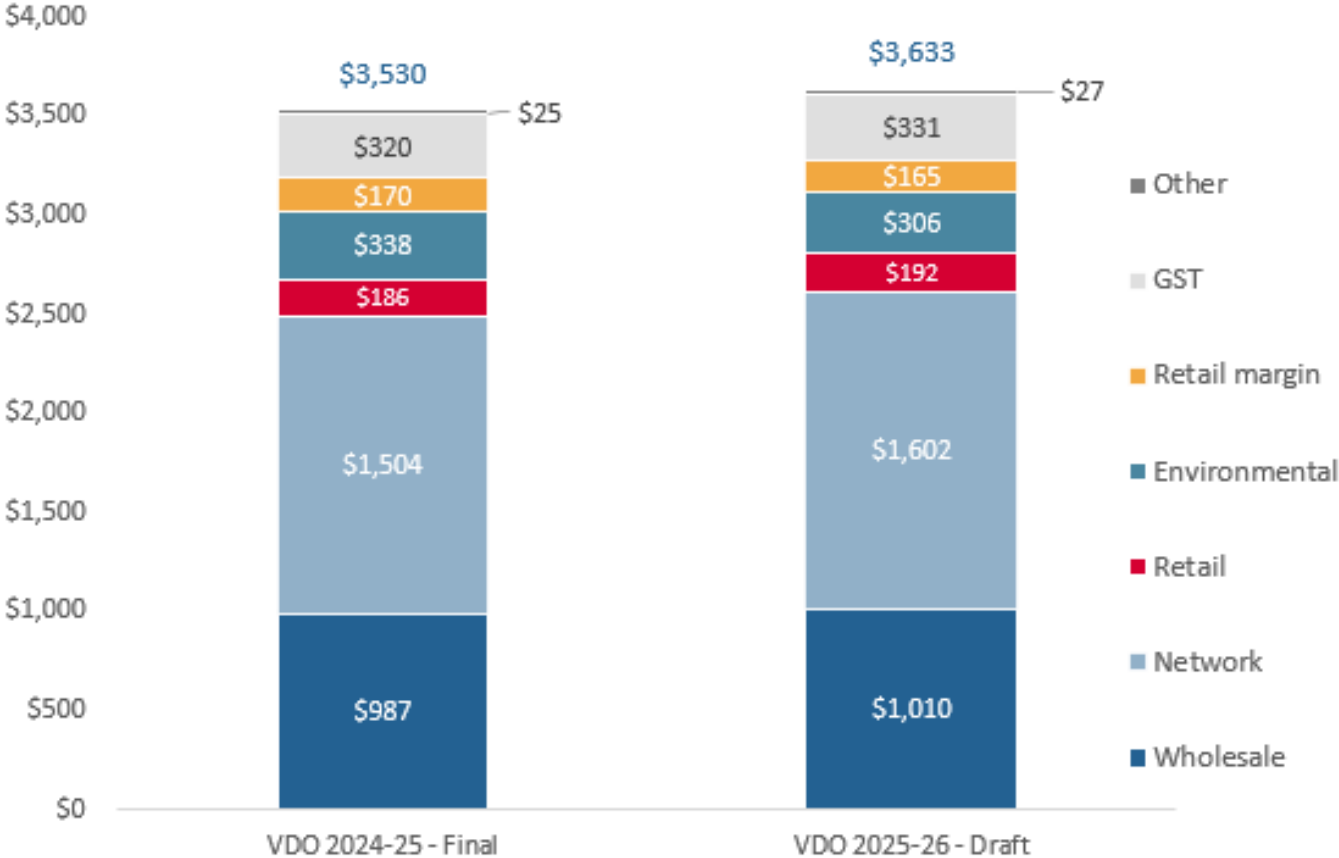
Proposed increases to 2025-26 Victorian Default Offer

- On average, across all five Victorian distribution zones:
 - Typical annual domestic bills would increase from \$1,655 to \$1,667, an increase of \$12 (0.7%)
 - Typical annual small business bills would increase from \$3,530 to \$3,633, an increase of \$103 (2.9%)

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



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



Supporting customers

- While the Victorian Default Offer is slightly higher under the draft decision, 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.
- Tomorrow's draft decision applies to Victorian Default Offer.

Next steps

Draft decision paper will be available on commission website: [Victorian Default Offer price review 2025-26 | Essential Services Commission](#)

Consultation information and updates via [the Engage Victoria website](#)

Next steps:

- 31 March 2025 11am – public forum (online)
- 11 April 2025 – submissions on draft decision close
- By 24 May 2025 – final decision and determination
- 1 July 2025 – new Victorian Default Offer in effect

2025-26 Victorian Default Offer Draft Decision Overview

SESSION COMPLETE

THANK YOU FOR YOUR ATTENDANCE

