



Friday 20 December 2024

Essential Services Commission
Level 8, 570 Bourke Street
Melbourne VIC 3000
By email: VDO@esc.vic.gov.au

To the Essential Services Commission (ESC),

I am writing on behalf of Financial Counselling Victoria (FCVic) to provide feedback to the Victorian Default Offer Review 2025-26 (VDO).

I want to first draw your attention to the joint submission from energy consumer advocacy networks, led by the Victorian Council of Social Services, to which we are a signatory. This submission brings together important frontline insights from a range of consumer organisations, with deep reflections on impacts of the VDO on Victorian households. Most importantly, it poses an ethical question to the ESC – to what degree will the VDO decision focus on impact on people rather than retailer profit margins?

Despite the significant work that has gone into this joint consumer submission, I am writing separately as well because we understand that you will likely receive submissions from many industry players, and we in the community sector believe it's important to balance the inputs you may receive into this Review process.

FCVic values our working relationship with the ESC, and your support of our sector including through attendance at our conference and Summit, and engaging with our Essential Services Network (formerly the Utilities Working Group). You would have heard from financial counsellors at these events and forums about the outsized demand for services, the growing wait lists of clients facing significant financial hardship, and the notable contribution of high utility costs to these experiences of hardship.

In light of these demonstrated increases in experiences of financial hardship amongst a growing cohort of vulnerable Victorians, I urge you to rebalance consideration of the factors that influence the VDO decision, and to focus on 'getting to fair'.

Thank you for your consideration. To discuss this submission further or for any further queries, please contact [REDACTED]

Yours sincerely,

[REDACTED]

Zyl Hovenga-Wauchope
Executive Officer
Financial Counselling Victoria