



Meridian Energy Australia Pty Ltd
Level 15, 357 Collins Street
Melbourne VIC 3000

25 May 2021

Essential Services Commission
Level 8, 570 Bourke Street
Melbourne, Victoria 3000

Email: www.engage.vic.gov.au

Victorian Default Offer – Variation to apply from 1 August 2021 Draft Decision

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (**MEA Group or Powershop**) thanks the Essential Services Commission (**ESC**) for the opportunity to provide comments on the ESC's Victorian Default Offer (**VDO**) – Variation to apply from 1 August 2021 Draft Decision (the **Paper**).

Background on the MEA Group

The MEA Group is a vertically integrated generator and retailer, with a focus on renewable generation. Through our investment in new generation, we have continued to support Australia's transition to renewable energy. Powershop is an innovative retailer committed to providing lower prices for customers and recognises the benefits to customers in transitioning to a more distributed and renewable-based energy system. Powershop has introduced numerous new, innovative, and customer-centric initiatives into the market.

Statement

Powershop supports the proposed variation to take effect from 1 August 2021 and agree with the benefits to aligning the VDO variation alongside the potential market contract price changes as of 1 August. Powershop also agrees that a short consultation is urgent to align the VDO with changes in network tariff structures and prices as soon as possible after 1 July 2021. This will allow retailers the appropriate time for varying the VDO prices based on the finalised prices.

Powershop notes the Paper believes that "this includes the option for retailers to bundle price notifications requirements potentially reducing the number of notifications customers receive."¹ However, Powershop are concerned the Order in Council released by the Victorian Government, effective 25 May will prevent retailers from bundling customer notifications requirements, despite the perceived advantages for customers. The Order will not assist implementation or streamline our customer price change notification processes, but only increase confusion for customers with multiple notices and raise compliance costs for retailers.

Powershop encourages the ESC to consult urgently with the Victorian Department of Environment, Land, Water and Planning (**DELWP**) on the requirements of the Order and to encourage a further streamlining of the Order to the variation. Alternatively, the ESC should consult with the retailers on how to achieve compliance with the Order.

¹ Essential Services Commission Victoria, Next Steps for the Victorian Default Offer 14 May 2021, Page 5

If you have any queries or would like to discuss any aspect of this submission, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'James Ell', written in a cursive style.

James Ell
Head of Compliance and Regulatory
Powershop Australia Pty Ltd
Meridian Energy Australia