

Report reveals about two million Victorian households are paying higher energy bills than they should

Victorian consumers are being urged to contact their energy retailers after a new report from the state's economic regulator showed they are needlessly paying too much for their energy bills.

The [report](#) from the Essential Services Commission shows about two million Victorian customers could be paying more than they should because they're not on the 'best offer' from their retailer. In March this year alone, 850,000 Victorians who received electricity bills were not on the best deal.

Executive director energy Sarah Sheppard says customers could be saving hundreds on their bills.

"The data shows 850,000 electricity and almost 400,000 gas accounts could be on cheaper deals if customers contact their retailer and ask to be changed to their 'best offer'.

"Your retailer is required to put a 'best offer' message on your bills at least three times a year to tell you if you could save money by switching to a different contract," she said.

Ms Sheppard says the June Victorian energy market update also shows disconnections for non-payment in 2021 are now approaching pre-pandemic levels after being on hold for much of 2020.

"The average debt for customers on payment plans is at its highest level since the beginning of 2019 and has grown 14 per cent (\$979 to \$1,119) over that time," she said.

Ms Sheppard says the commission is working with industry to ensure businesses provide support to customers under the payment difficulty framework and address any concerns in how those rules are being implemented.

"We are running workshops for industry on debt-collection and will continue to closely monitor whether businesses are following the energy rules by providing protections for customers in payment difficulty," she said.

Ms Sheppard says the good news for customers is electricity prices have fallen over the past year.

"Compared to 12 months ago residential electricity offers are down 11 per cent and small businesses' electricity offers are 14 per cent lower," she said.

The report shows from 1 January to 31 March 2021:

- we issued two new electricity retail licences
- Alinta Energy paid \$1.125 million in penalties for allegedly putting conditions on providing help to distressed customers despite the requirements of the energy rules.

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