

Victoria Energy Prices

January 2021

An update report on the Victorian Tariff-Tracking Project



St Vincent de Paul Society
good works

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Sophie Labaste, January 2021
Alviss Consulting Pty Ltd



St Vincent de Paul Society
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www.alvissconsulting.com

twitter.com/AlvissC

www.vinnies.org.au

twitter.com/VinniesAust

Contact: Gavin Dufty
Manager, Social Policy Unit Victoria
St Vincent de Paul Society
Phone: (03) 98955816 or 0439 357 129
twitter.com/gavinduft

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Disclaimer

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The Victorian Tariff-Tracking Project

To date, this project has tracked electricity and gas tariffs in Victoria from July 2008 (retail price deregulation took effect on 1 January 2009) to January 2021, and developed a spreadsheet based tool that allows consumer advocates to build on the initial analysis and continue to track changes as they occur. In 2016, market offers available to new solar customers were added to the Tariff-Tracking project. The workbook allows users to calculate annual bills based on retailers' rates, feed in tariffs offered and additional discounts. Again, the user can enter consumption level as well as choosing to run the bill calculation based on 1.5 kW or 3 kW solar systems.

We have developed five workbooks that allow the user to enter consumption levels and analyse household bills for gas and electricity:

Workbook 1: Electricity standing offers July 2008 – January 2021

Workbook 2: Gas standing offers July 2008 – January 2021

Workbook 3: Electricity market offers 2010 to 2021

Workbook 4: Gas market offers 2010 to 2021

Workbook 5: Solar market offers 2016 to 2021

The five workbooks can be accessed at the St Vincent de Paul Society Victoria's website:

www.vinnies.org.au/energy.

KEY FINDINGS

In terms of general trends, the tariff analysis found that:

- ▲ On average, AGL, Origin and Energy Australia's Victorian Default Offer (VDO) bills have decreased by \$190 or 11% over the last year.¹ Compared to January 2019 (prior to the VDO taking effect), standing offer bills have decreased, on average, by \$445 or 22% for AGL, \$530 or 25% for Origin, and \$620 or 30% for Energy Australia. **See charts 1-3 below.**
- ▲ Until January 2020 the VDO only applied to single rate and controlled load tariffs. For customers on a two-rate (peak/off-peak) tariff, a time of use (TOU) tariff or a demand tariff, the retailers continued to set the standing offer price. From January 2020, however, retailers have been required to comply with the maximum annual bill amount set out in the Essential Services Commission's VDO determinations for all tariff types. For standing offer customers on a two-rate tariff (peak/off-peak), AGL Origin, and Energy Australia's two-rate offers have decreased since January, on average, by 11%. Compared to January 2019, AGL and Energy Australia's offers have decreased on average by 28% and 29% respectively, whereas Origin's standing offers have decreased by 32%. **See charts 4 – 6 below.**
- ▲ For gas standing offers, AGL, Origin and Energy Australia's prices have increased by 1% to 9% depending on the network, compared to January 2020 prices. On average, prices have increased by 2% for AGL, 5% for Origin and 3% for Energy Australia. **See charts 7-10 below.**
- ▲ Section 1 shows that electricity prices have significantly decreased over the last two years while gas prices have increased. However, we have seen anecdotal evidence of customers currently paying electricity rates that are much higher than those that are now offered. Customers on market offers who have not changed retailer, or contract, for a while may be able to substantially reduce their electricity costs by engaging with the market.
- ▲ Typical consumption households (4,800kWh per annum) on the VDO can save around \$230 to \$280 per annum if switching to the best published market offer (depending on their network area).² This is largely similar to January 2020, when the maximum saving was between \$235 - \$350 per annum. It is, however, significantly less compared to January 2019, where the maximum saving was \$1,800 - \$2,270 per annum (depending on the network area), if switching from the worst standing offer to the best market offer. **See section 2.1.**
- ▲ The difference between the best and the worst market offers ranges from just under \$540 per annum (in Citipower's area) to \$610 (in Ausnet's area) for customers with typical consumption levels.³ **See section 2.1.1.**
- ▲ Simply Energy's market offers produce the lowest annual bill for average consumption households in Powercor, Ausnet and United Energy, whereas Powerclub's market offers produce the lowest annual bills in Citipower and Jemana. CovaU, on the other hand, has the most expensive market offer in all network areas.⁴ **See section 2.1.1.**

¹ Compared to offers available in January 2020.

² Based on the VDO (single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).

³ Households using 4,800kWh per annum (single rate) and all market offer bills include guaranteed discounts and pay on time discounts. Discounts that require payments to be made by direct debit are not included.

⁴ *Ibid.*

- ▲ While not all retailers changed their market offers in January 2021, the majority decreased their rates while a few increased their rates, compared to January 2020. Simply Energy, Origin Energy and EnergyAustralia are the retailers with the greatest price decreases while Diamond Energy and Amber Electric were the only retailers that had price increases. **See section 2.1.2.**
- ▲ Gas customers with typical consumption (63,000Mj) can save up to \$840 - \$1,020 per annum (depending on their gas zone) if switching from the worst standing offer to the best market offer.⁵ **See section 2.2.**
- ▲ The price-spread for gas market offers ranges from \$320 per annum (TRU West/Ausnet West) to approximately \$500 (AGL South/Multi 2) for customers with typical consumption levels.⁶ **See section 2.2.1.**
- ▲ AGL and Dodo Power & Gas are the retailers with the greatest price increases while Alinta Energy, Click Energy and Origin Energy had the greatest price decreases.⁷ **See section 2.2.2.**
- ▲ New solar customers with a 3kW system installed will have an annual bill that is between \$740 and \$810 less (depending on network area) than non-solar customers with the same consumption level.⁸ **See section 2.3.**
- ▲ For solar offers, the maximum price-spread is around \$575 in Ausnet, \$475 in Jemena, \$440 in Powercor, \$440 in United Energy and \$430 in Citipower.⁹ **See section 2.3.**
- ▲ For market offers, the Network Use of System (NUOS) proportion varies significantly between retailers. On average (across all retailers' market offers), the NUOS proportion of the total bill is 38% in Ausnet, 31% in Powercor, 29% in Citipower, 30% in Jemena and 29% in United Energy.¹⁰ **See section 3.**
- ▲ In January 2021, the NUOS charges decreased in all network areas. The greatest decrease was in the United Energy network (18%). **See section 3.**
- ▲ For gas, the distribution charges have remained mostly unchanged since 2020 except for in the Ausnet Central pricing zone where they decreased by 3.9%. **See section 3.**
- ▲ Section 4 compares all published electricity and gas market offers as of January 2021. As such it includes offers with various conditions such as direct debit payments, membership of sports clubs or frequent flyer programs, as well as others.¹¹ Twenty-five retailers offer 57 electricity market offers in the Citipower network and sixteen of these offers require payment by direct debit. Eleven of the offers have guaranteed (non-conditional) discounts while only four of the offers have a conditional pay on time discount. Monthly billing remains

5 Based on the worst of the retailers' standing offer and the best of the published market offers (including dual fuel offers, guaranteed discounts and/or pay on time discounts).

6 Households using 63,000Mj per annum. All published market offers (including dual fuel offers, Guaranteed discounts and/or pay on time discounts).

7 Bill calculations based on average electricity (4,800 kWh) market offers including guaranteed discounts and pay on time discounts.

8 *Ibid.*

9 Based on the worst and the best of the published market offers for single rate customers using 4,800 kWh per annum and a 3kW solar system installed. Bills include additional discounts and/or pay on time discounts and FIT, 3kW solar system.

10 The annual Network Use of System Charges (NUOS) have been calculated by allocating 1,200kWh per quarter (again based on annual consumption of 4,800kWh) to the step charges stipulated in the NUOS. The annual NUOS cost also includes fixed charges. NUOS charges do not include smart metering costs.

11 The standard analysis of market offers in the Tariff-Tracking reports do not include offers where the customer is required to pay by direct debit or be a member of a program/organisation. It also only includes one offer for each retailer.

increasingly common feature of market offers and forty-one (70%) of the offers require customers to pay monthly instead of quarterly. **See section 4.**

- ▲ Dual fuel standing offer customers in Kilmore, Seymour, Violet Town, Nagambie, Wangaratta, Chiltern and Wodonga continue to have the highest average annual combined energy bills. Based on typical consumption levels, the average combined annual energy bill in these areas is now \$3,670.¹² This is, however, \$120 less than it was last year (January 2020). **See section 5.**

¹² Bill calculations are based on the incumbent retailers' average standing offer for electricity and gas customers for dual fuel households using 4,800kWh and 63,000Mj per annum in the Ausnet electricity network and AGN North/Origin North gas zone.

1. CHANGES TO THE STANDING OFFERS

The Victorian Government deregulated retail prices from 1 January 2009, and between January 2009 and July 2019 the retailers determined both their standing offer and market offer rates. The Victorian Default Offer (VDO) is a Victorian Government initiative that aims to make the electricity market simpler and more affordable for all consumers.¹³ The arrangement requires the Essential Services Commission (ESC) to set a VDO for basic metering types (single rate and controlled load tariffs) in each network area. All retailers are required to offer the VDO but they can, and still do, offer other market contracts. The initial VDO rates took effect on 1 July 2019 but changed on 1 January 2020 and 2021. All customers on standing offers prior to July 2019 were moved to the VDO.

This section shows that electricity prices have significantly decreased over the last two years while gas prices have increased. However, we have seen anecdotal evidence of customers currently paying electricity rates that are much higher than those that are now offered. Customers on market offers who have not changed retailer, or contract, for a while may be able to substantially reduce their electricity costs by engaging with the market.

1.1 Electricity standing offers January 2019 - January 2021

As in the previous Tariff-Tracking reports, the bill calculations in this report have assumed an average consumption of 4,800kWh per annum for households on the single rate.¹⁴ These are generally households connected to mains gas and therefore have a lower consumption than all-electric households. For all-electric households, which are predominantly in rural areas, the bill calculations have assumed an average consumption of 7,000kWh per annum. The rates used in the calculations are those for the controlled load offers and a split of 70% peak and 30% off-peak has been assumed. There are five network businesses in Victoria: Powercor and Ausnet distributing electricity to rural and regional Victoria and Citipower, Jemena and United Energy.

On average, across all five network areas, the VDO decreased by approximately \$190 (or 11%) in January 2021. However, if we compare January 2021 to January 2019 (when retailers still determined their own standing offers), there are notable differences between the retailers.

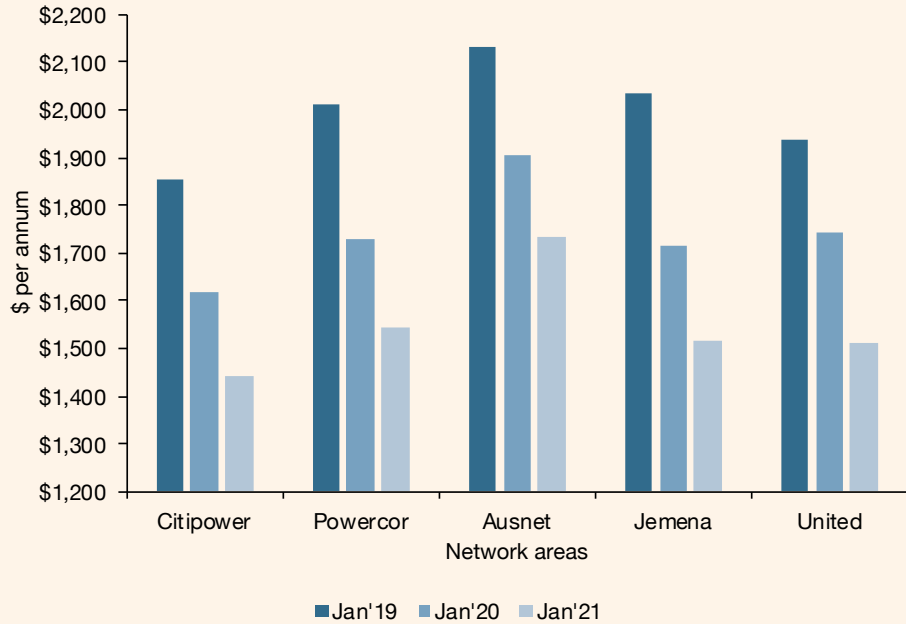
Charts 1 – 3 below show the incumbent retailers' electricity standing offer/VDO as of January 2019, January 2020 and January 2021.

AGL is the incumbent retailer in the Jemena and United Energy networks. Between January 2020 and January 2021, customers on a standing offer/VDO with an annual consumption of 4,800 kWh (single rate) will experience an annual decrease of \$200 (or 12%) in Jemena and \$230 (or 13%) in United Energy's area.

¹³ See <https://www.energy.vic.gov.au/victoriandefaultoffer>.

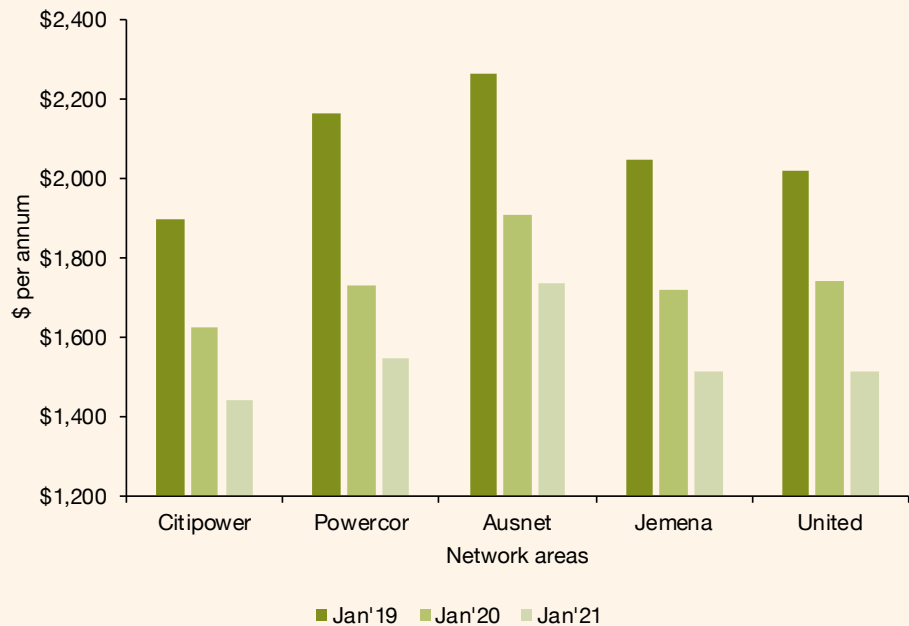
¹⁴ Consumption levels do vary between network areas, but we believe 4,800 kWh and 7,000 kWh per annum are appropriate benchmarks to analyse tariff changes and bill impacts for Victorian households.

CHART 1 | Changes to AGL's standing offers/VDO (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on single rate tariff and annual consumption of 4,800 kWh



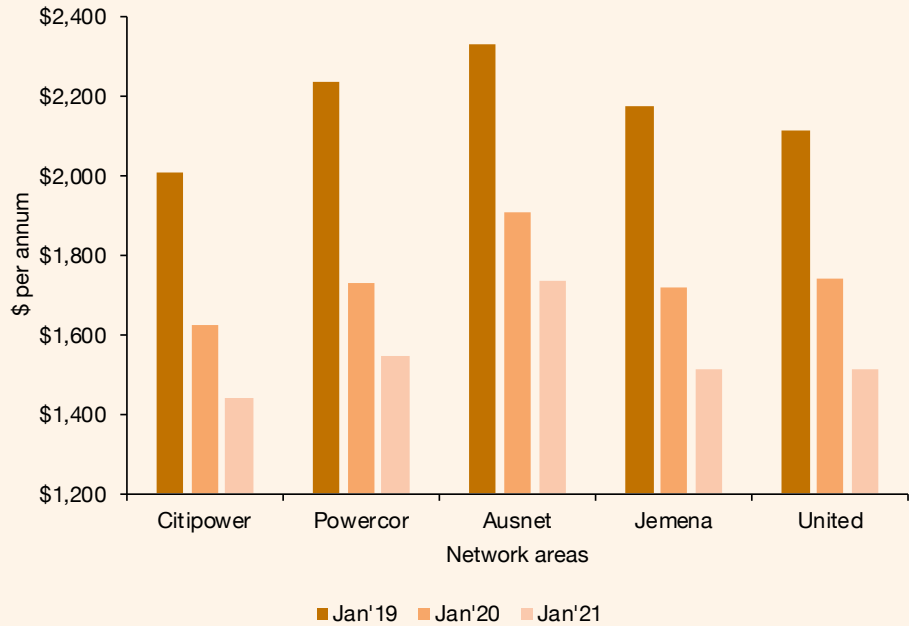
Origin is the incumbent retailer in the Citipower and Powercor networks. Standing offer/VDO customers with an annual consumption of 4,800 kWh (single rate) will experience an annual decrease of approximately \$180 (or 11%) in both Citipower and Powercor's area. See chart 2 below.

CHART 2 | Changes to Origin Energy's standing offers/VDO (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on single rate tariff and annual consumption of 4,800 kWh



Energy Australia is the incumbent retailer in the Ausnet network and standing offer customers with an annual consumption of 4,800 kWh (single rate) will experience an annual decrease of \$170 (or 9%) in this network area. See chart 3 below.

CHART 3 | Changes to EnergyAustralia's standing offers/VDO (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on single rate tariff and annual consumption of 4,800 kWh



Charts 4 - 6 below show the incumbent retailers' electricity standing offer for two-rate tariffs as of January 2019, January 2020 and January 2021. It shows that all three retailers' two-rate offers have decreased since January 2020: on average, AGL, Origin and Energy Australia's standing offers have decreased by 11%. Compared to January 2019, however, AGL and Energy Australia's two-rate standing offers have decreased on average by 28% and 29% respectively, whereas Origin's standing offers have decreased by 32%.

CHART 4 | Changes to AGL's standing offers (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on two-rate tariff and annual consumption of 4,800 kWh (60% peak and 4% off-peak)

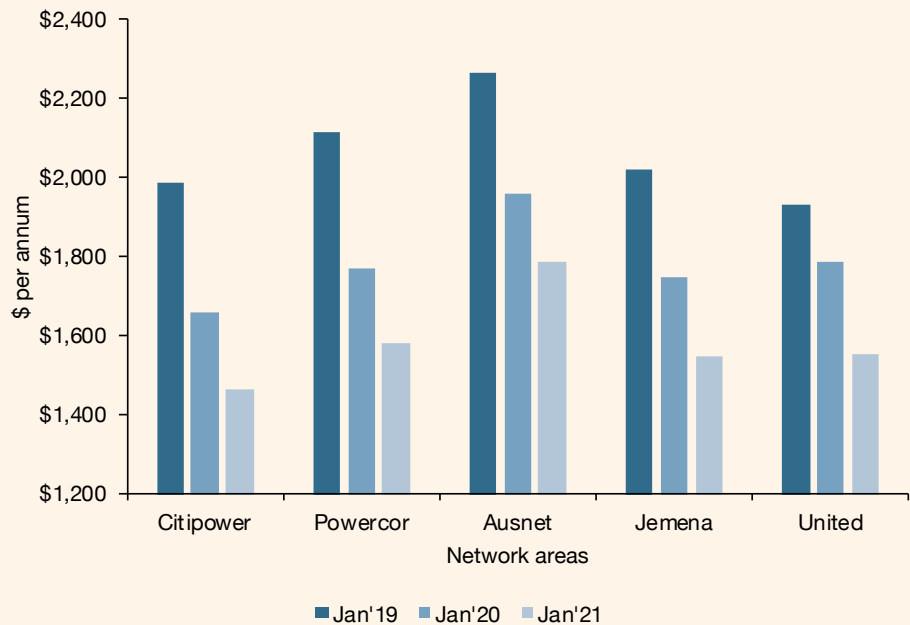


CHART 5 | Changes to Origin Energy's standing offers (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on two-rate tariff and annual consumption of 4,800 kWh (60% peak and 4% off-peak)

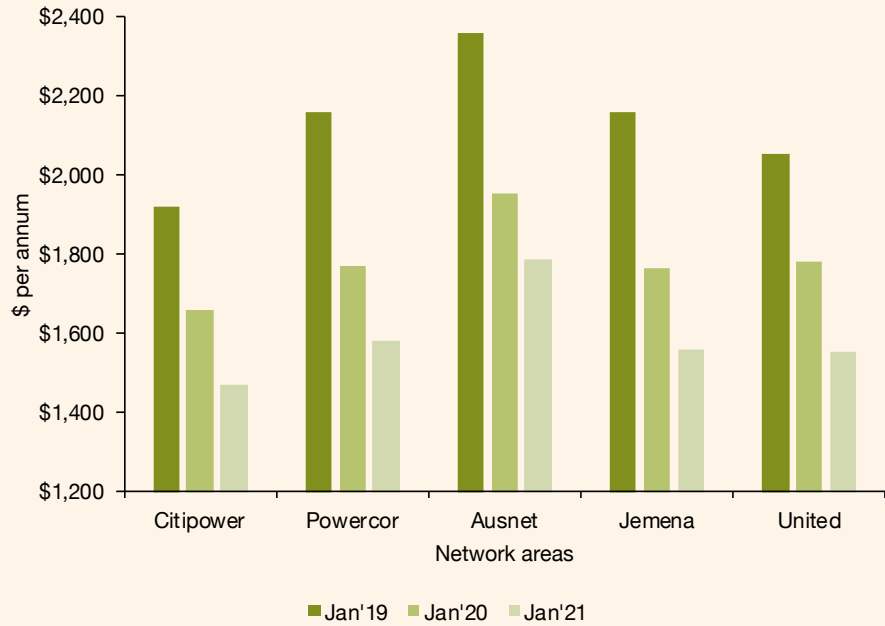
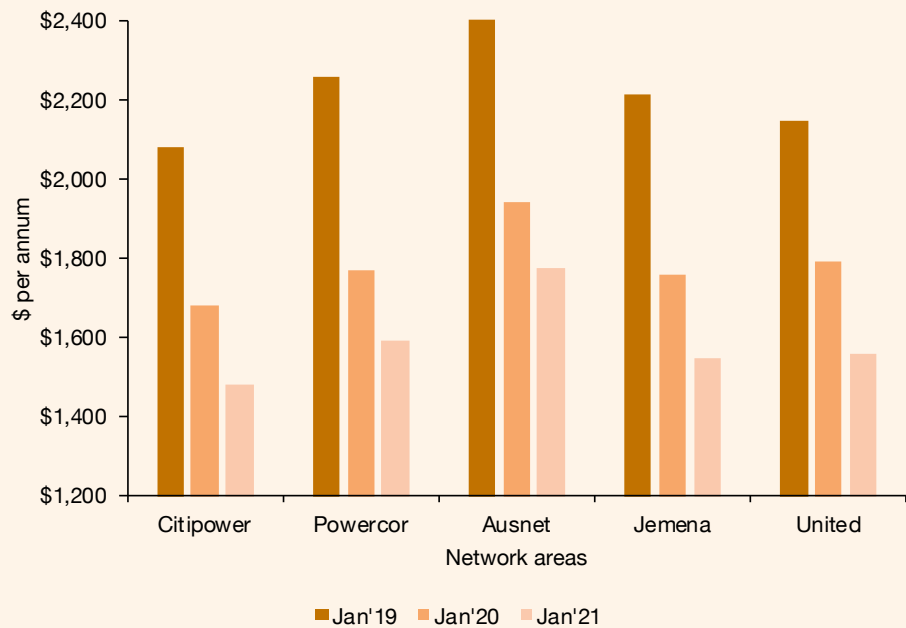


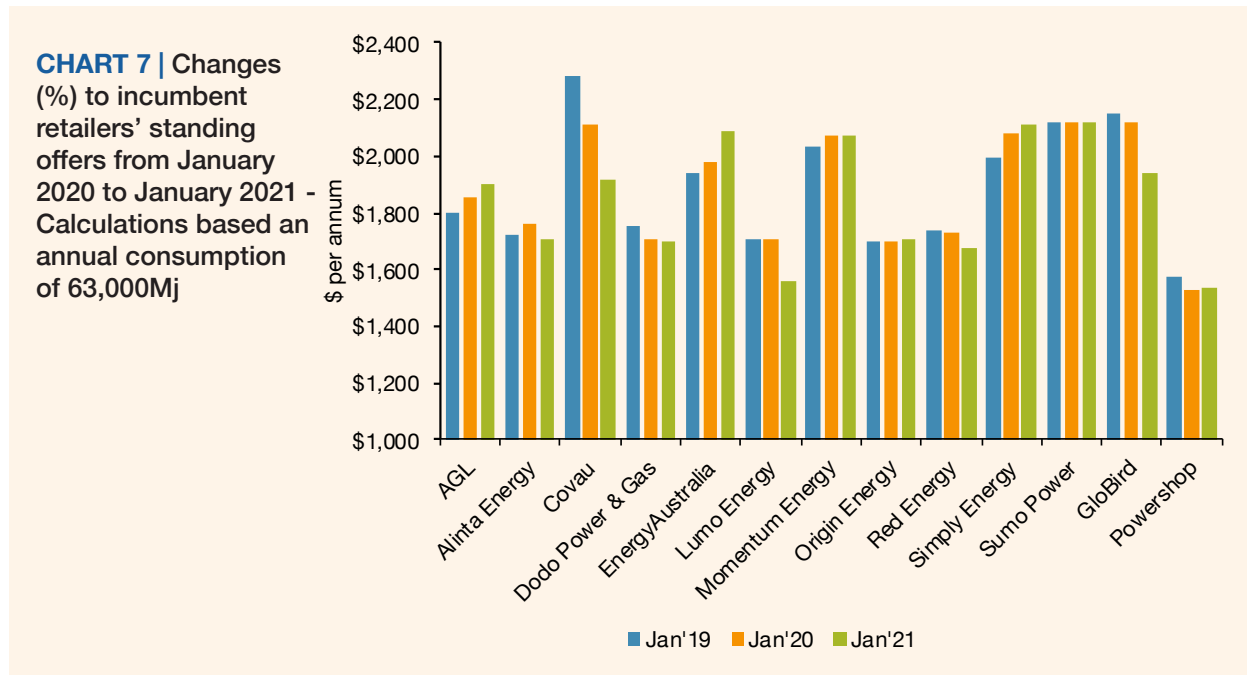
CHART 6 | Changes to EnergyAustralia's standing offers (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on two-rate tariff and annual consumption of 4,800 kWh (60% peak and 40% off-peak)



1.2 Gas standing offers January 2019 – January 2021

There are three gas distributors and eight main gas zones. The distributors are Multinet, Envestra/Australian Gas Network and Ausnet. The gas zones are: Multinet 1/Origin Metro, Multinet 2/AGL South, Envestra North/Origin North, Envestra Central 2/TRU East, Envestra Central 1/Origin South East, Ausnet West/TRU West, Ausnet Central 2/AGL North and Ausnet Central 1/TRU Central. The names of the gas zones derive from when AGL, Origin and TRU (now Energy Australia) were energy retailers with designated areas. These three retailers are not distribution businesses and they are not involved in setting the distribution charges in these areas. The companies' names are merely used as a descriptor for the various gas zones that Multinet, Envestra/Australian Gas Network and Ausnet distribute gas to. There are also some smaller rural zones (such as Mildura) that are not included in the Tariff-Tracking tool.

Chart 7 below shows that households experience price changes of between 1% to 9% in January 2021 when comparing to January 2020 prices, depending on the gas zone. All three retailers' prices have increased across all gas zones on average: by 2% for AGL, 5% for Origin and 3% for EnergyAustralia.



Charts 8 – 10 below show the incumbent retailers' gas standing offer as of January 2019, January 2020 and January 2021.

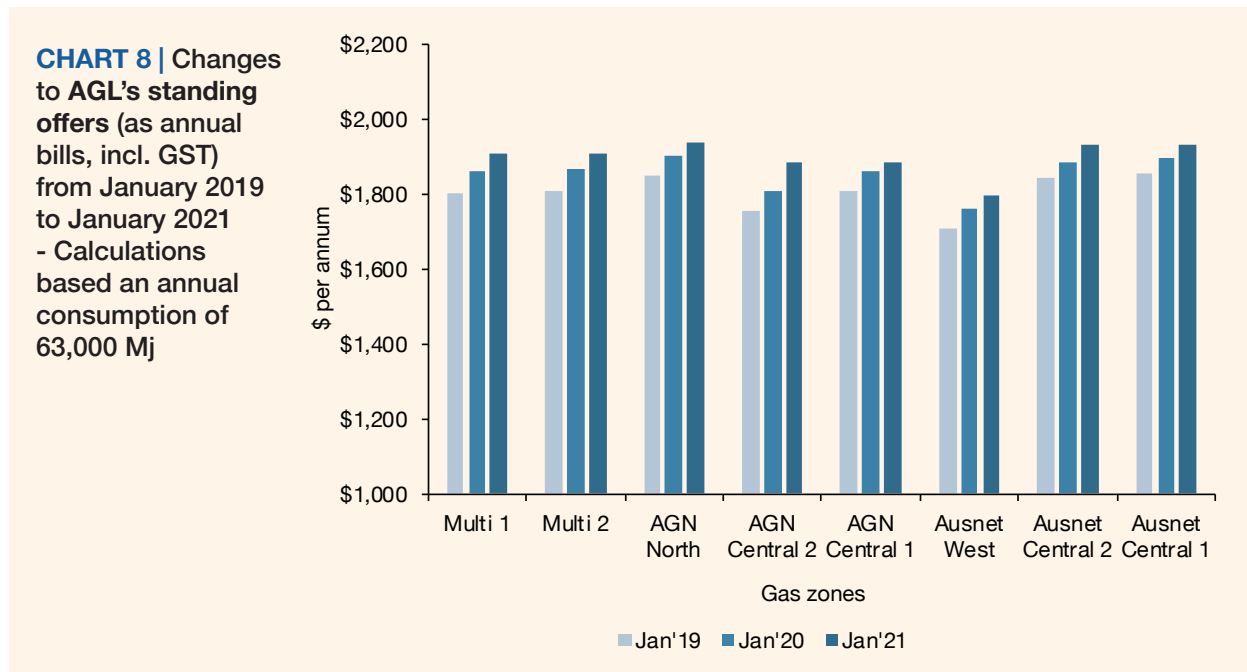


CHART 9 | Changes to Origin Energy's standing offers (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on an annual consumption of 63,000 Mj

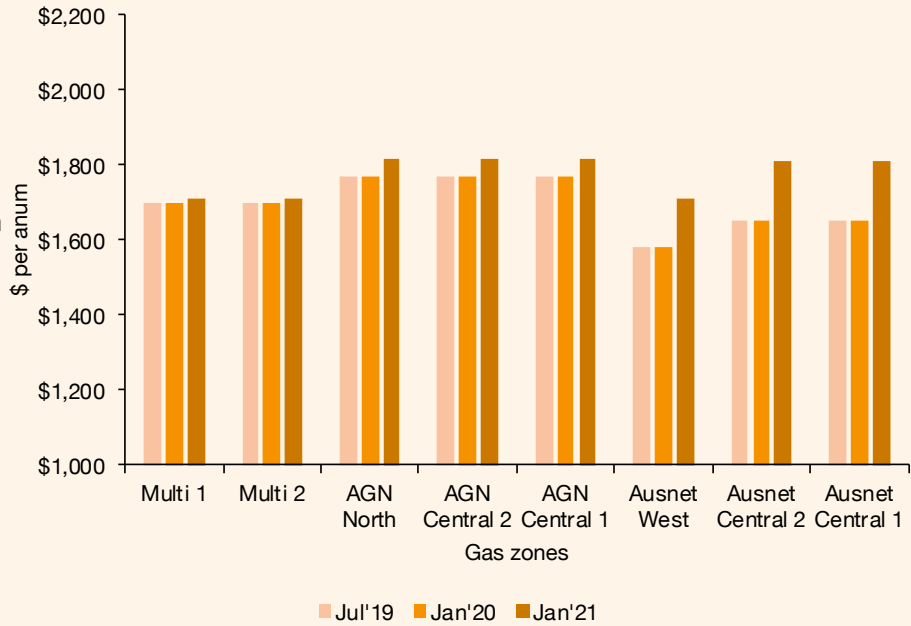
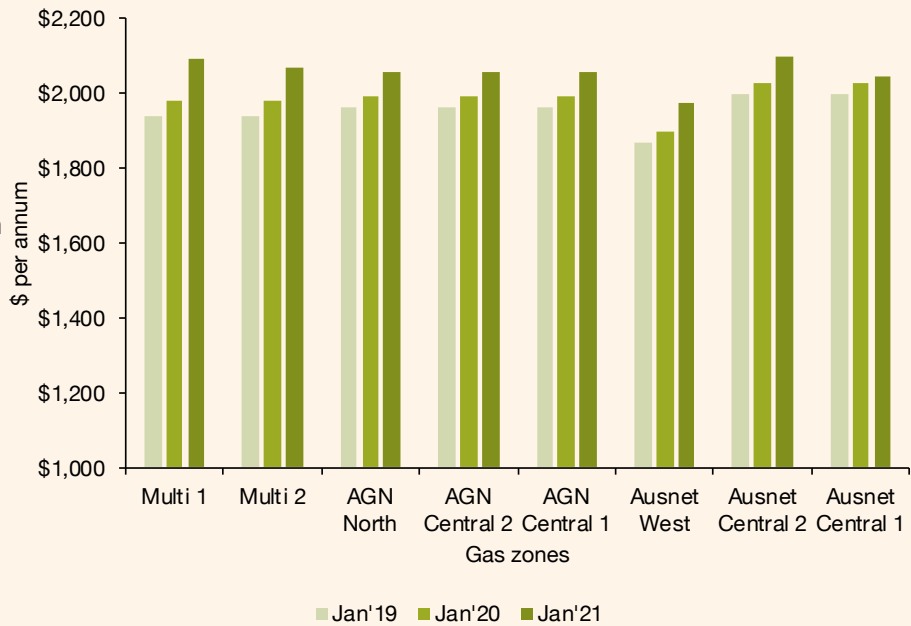
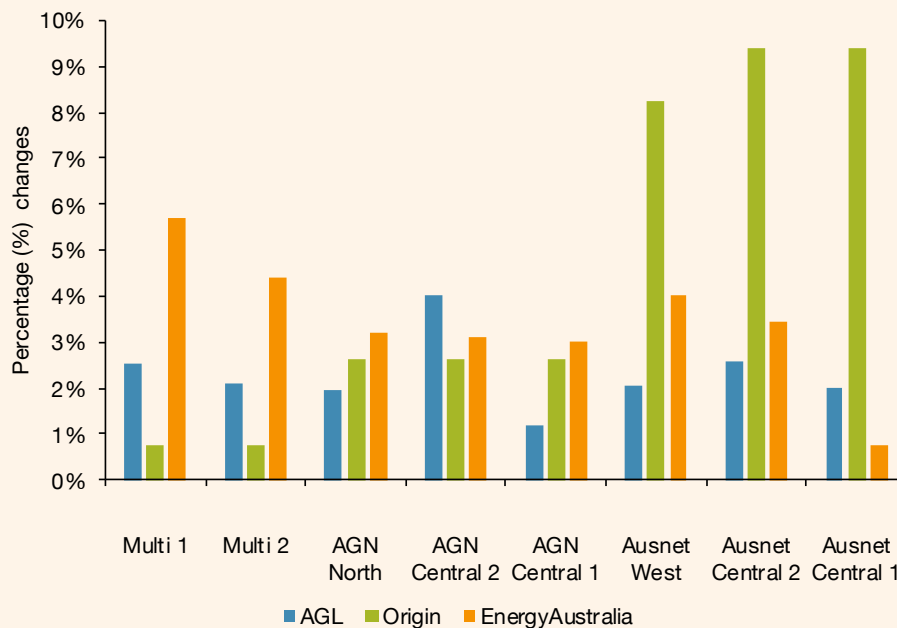


CHART 10 | Changes to EnergyAustralia's standing offers (as annual bills, incl. GST) from January 2019 to January 2021 - Calculations based on an annual consumption of 63,000 Mj



Only one of the 2nd tier retailers (Simply Energy) has increased their gas standing offers. Momentum Energy, Sumo Power and Powershop's standing offers have remained largely unchanged since January 2020. The remainder of the 2nd tier retailers have decreased their gas standing offers. CovaU and GloBird Energy have the largest decreases, with a 9% decrease for CovaU and 8.5% for GloBird. Chart 11 below compares annual bills as of January 2019, January 2020 and January 2021 for 12 retailers in the Multinet 1/Origin metro gas zone

CHART 11 | Changes to standing offers (as annual bills, incl. GST) from January 2020 to January 2021 in the Multinet 1/Origin Metro gas zone - Calculations based on an annual consumption of 63,000 Mj¹⁵



¹⁵ Note that 1st Energy, Tango Energy and Click Energy are not included in this chart as they did not have published standing offers in January 2020.

2. MARKET OFFERS

2.1 Electricity market offers post January 2021¹⁶

The price-spread, or the difference between the best market offer and the VDO (as well as the differences between market offers), will change somewhat throughout the year but as of January 2020:

- ▲ Typical consumption households (4,800kWh per annum) on the VDO can save around \$230 and \$280 per annum if switching to the best published market offer (depending on their network area).¹⁷ This is largely similar to January 2020, when the maximum saving was between \$235 - \$350 per annum. It is, however, significantly less compared to January 2019, where the maximum saving was \$1,800 - \$2,270 per annum (depending on the network area), if switching from the worst standing offer to the best market offer.
- ▲ The greatest potential annual saving is in Ausnet's network area (approximately \$280).¹⁸
- ▲ The difference between the best and the worst market offers ranges from just under \$540 per annum (in Citipower's area) to \$610 (in Ausnet's area) for customers with typical consumption levels.¹⁹

Table 1 shows additional discounts applicable to the electricity retailers' published market offer rates. Some of the retailers have multiple market offers and may offer higher (or lower) discounts than those listed here. However, if the discount is higher the length of the contract term is typically longer. In other cases, the discount might be higher, but the customer must agree to pay by direct debit.²⁰

TABLE 1 | Electricity market offer features January 2021²¹

Retailer	Name	Effective from	Guaranteed discount	Pay on time discount	Contract term/benefit period	Other conditions
1st Energy	1st Saver Plus	1/1/21	12% off usage	3% off bill	No	Monthly billing only
AGL	Essentials	1/1/21	No	No	12 months	Monthly billing only
Alinta Energy	Home Deal	1/1/21	No	No	No	Monthly billing only
Click Energy	Lily	1/1/21	No	No	No	Monthly billing only
CovaU [^]	Smart Saver	5/1/21	30% off usage	No	No	Monthly billing and e-billing only
Diamond Energy [^]	Renewable Saver	1/10/20	No	3% off bill	No	No

¹⁶ These market offers were collected from the retailers' websites between 9 January 2021 and 14 January 2021 and it should be noted that retailers may change their rates at any time.

¹⁷ Based on the VDO (single rate) and the best of the published market offers (including additional discounts and/or pay on time discounts).

¹⁸ *Ibid.*

¹⁹ Households using 4,800 kWh per annum (single rate) and all market offer bills include additional discounts and/or pay on time discounts.

²⁰ Diamond Energy, for example, has a direct debit discount where customers receive a 7% discount off their electricity bill. This discount is not included in the bill calculations presented in this report.

²¹ Most retailers have more than one market offer product. The offers used for this analysis are those we deem on-going, key products with as few conditions (i.e. direct debit, e-billing and exit fees) as possible. These market offers were collected from the retailers' websites between 9 January 2021 and 14 January 2021 and it should be noted that retailers may change their rates at any time.

Retailer	Name	Effective from	Guaranteed discount	Pay on time discount	Contract term/benefit period	Other conditions
Dodo Power & Gas	Market offer	15/12/20	No	No	No	Monthly billing only
EnergyAustralia	Total Plan Home	1/1/21	11% off bill	No	12 months	No
GloBird Energy[^]	Suresave	24/12/20	No	No	No	Monthly billing only
Lumo Energy	Value	1/1/21	No	No	No	Monthly billing only
Momentum Energy	SmilePower Flexi	1/1/21	No	No	No	Monthly billing only
Origin Energy	Go	5/1/21	No	No	12 months	No
Tango Energy	Home Select	16/12/20	No	No	No	Monthly billing only
Powerdirect	Rate Saver	1/1/21	No	No	12 months	No
Powershop	Market offer	1/2/21	No	No	No	Monthly billing and direct debit only
Red Energy	Living Energy Saver	1/1/21	No	No	No	Monthly billing only
Simply Energy	NRMA Blue	1/1/21	16% off bill	No	No	Monthly billing only
Sumo Power	Freedom	1/7/20	No	No	No	Monthly billing only
Powerclub	Powerbank Home	1/1/21	No	No	No	Monthly billing and direct debit only
Amber Electric	Amber Plan	5/11/20	No	No	No	Monthly billing and direct debit only
EnergyLocals	Local Saver	1/1/20	No	No	No	Monthly billing only
Kogan Energy	Market offer	1/2/21	No	No	No	Monthly billing and direct debit only
OVO Energy	The One Plan	1/1/21	No	No	No	Monthly billing and direct debit only
Q Energy	MiniMe	8/10/20	No	No	No	No

[^] Additional discounts for direct debit, e-billing or dual fuel customers may apply

2.1.1. Potential savings - Differences between electricity offers

Typical consumption households (4,800kWh per annum) on the VDO can save around \$230 to \$280 per annum if switching to the best published market offer (depending on their network area).²² This is largely similar to last year (January 2020). The difference between the worst and the best market offers, however, is increasing. Customers on the best market offer will pay approximately \$540 - \$610 less per annum compared to customers on the worst market offer. It should be stressed that some of these discounts are conditional on bills being paid on time and households with cash-flow issues thus may find themselves unable to achieve the annual bills estimated for some of the best offers included in the charts below.

Chart 12 below shows the retail market offer price-spread within each of the five network areas.²³

²² Based on market offer bills that include guaranteed discounts and pay on time discounts.

²³ Households using 4,800 kWh per annum (single rate) and all market offer bills include guaranteed discounts and/or pay on time discounts.

CHART 13 | Maximum price-spread for market offers in each network area January 2021 (incl. GST), including discounts and pay on time discounts - Households consuming 4,800 kWh per annum (single rate)



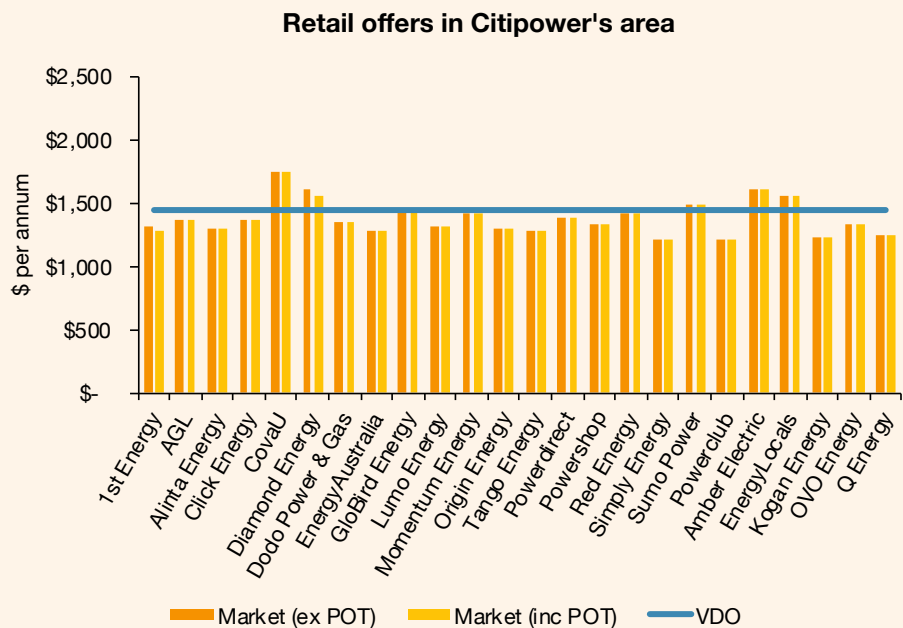
Charts 13 – 17 below show annual retail bills for typical consumption (4,800kWh per annum, single rate) for each of the five network areas. The red columns to the left represent market offers including guaranteed discounts (but not pay on time discounts), the yellow columns are market offer bills including pay on time discounts while the blue line represents the VDO bill.²⁴

Citipower

In Citipower’s area, the average market offer post January 2021 is \$1,375. A typical consumption household on the VDO can save around \$230 per annum if switching to the best published market offer. Powerclub is the retailer that currently offers the best market offer rates in this area.

CHART 13 |

























Citipower’s network area: Estimated annual bills (incl. GST) for electricity standing and market offers January 2021, including discounts and pay on time discounts - Households consuming 4,800 kWh per annum (single rate)



²⁴ Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in table 1. Note that Tango Energy was previously known as Pacific Hydro.

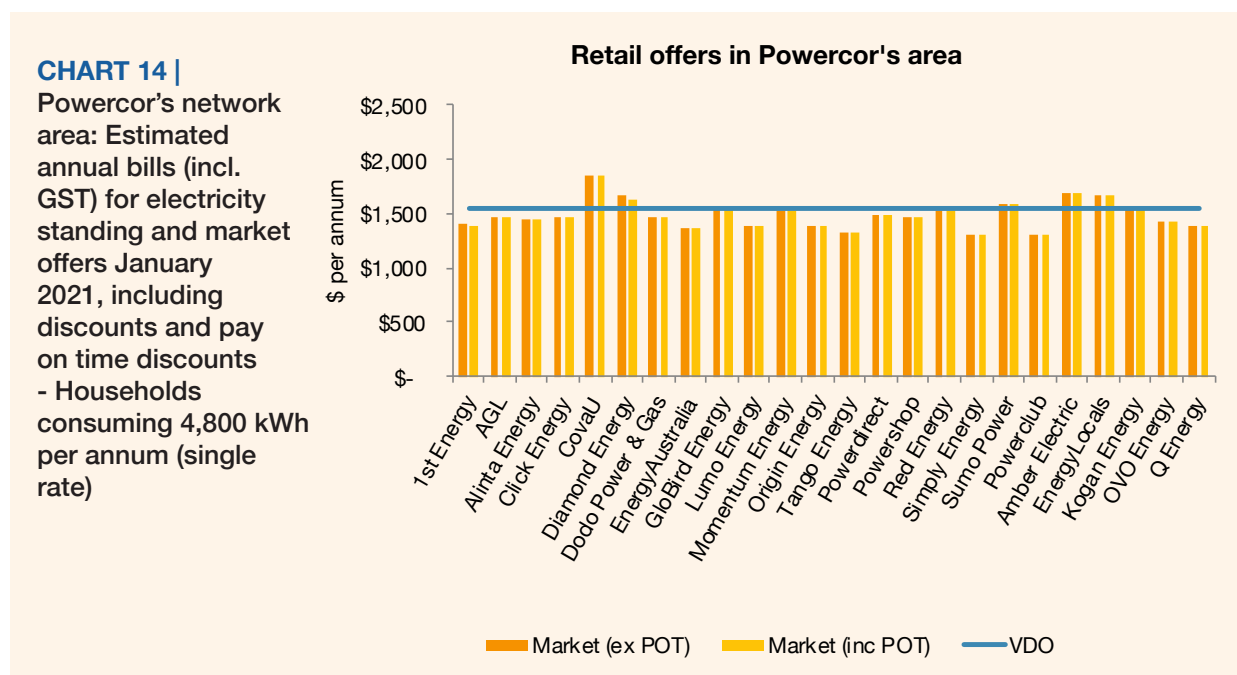
The difference between the best and the worst market offer is greater than the difference between the VDO and the best market offer. Powerclub's offer is approximately \$540 less than CovaU's market offer post discounts (and pay on time discounts) for households with this consumption level. Figure 1 below shows estimated annual bills for market offers post discounts in Citipower's network area.²⁵

FIGURE 1 | Citipower's network area: Lowest to highest annual bills

 Powerclub	\$1,207	 Lumo Energy	\$1,318	 GloBird Energy	\$1,440
 Simply Energy	\$1,209	 Powershop	\$1,331	 Sumo Power	\$1,483
 Kogan Energy	\$1,222	 OVO Energy	\$1,338	 EnergyLocals	\$1,551
 Q Energy	\$1,246	 Dodo Power & Gas	\$1,344	 Diamond Energy	\$1,561
 EnergyAustralia	\$1,281	 AGL	\$1,368	 Amber Electric	\$1,600
 Tango Energy	\$1,281	 Click Energy	\$1,368	 CovaU	\$1,748
 1st Energy	\$1,284	 Powerdirect	\$1,382		
 Origin Energy	\$1,301	 Momentum Energy	\$1,417		
 Alinta Energy	\$1,303	 Red Energy	\$1,425		

Powercor

























In Powercor's network area, the average market offer post January 2021 is approximately \$1,490. A typical consumption household on the VDO can save around \$250 per annum if switching to the best published market offer. Simply Energy is the retailer that currently offers the best market offer rates in this area.



²⁵ Bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 4,800kWh per annum (single rate). These bill estimates are based on rates that were collected from the retailers' websites between 9 January 2021 and 14 January 2021 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

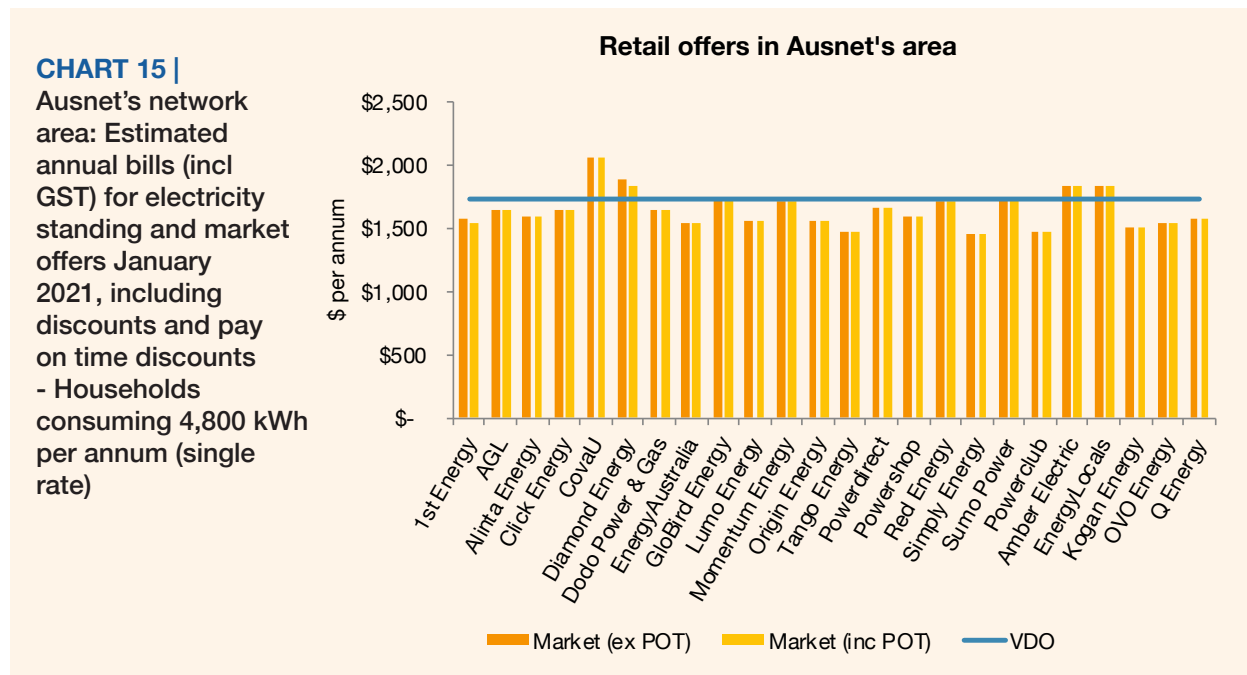
The difference between the best and the worst market offer is greater than the difference between the VDO and the best market offer. Simply Energy's offer is \$560 less than CovaU's market offer post discounts (and pay on time discounts) for households with this consumption level. Figure 2 below shows estimated annual bills for market offers post discounts in Powercor's network area.²⁶

FIGURE 2 | Powercor's network area: Lowest to highest annual bills

 Simply Energy	\$1,298	 Alinta Energy	\$1,439	 GloBird Energy	\$1,545
 Powerclub	\$1,313	 AGL	\$1,468	 Sumo Power	\$1,583
 Tango Energy	\$1,328	 Click Energy	\$1,468	 Diamond Energy	\$1,623
 EnergyAustralia	\$1,375	 Dodo Power & Gas	\$1,476	 EnergyLocals	\$1,674
 1st Energy	\$1,383	 Powershop	\$1,477	 Amber Electric	\$1,684
 Lumo Energy	\$1,384	 Powerdirect	\$1,483	 CovaU	\$1,858
 Origin Energy	\$1,387	 Momentum Energy	\$1,520		
 Q Energy	\$1,391	 Red Energy	\$1,530		
 OVO Energy	\$1,430	 Kogan Energy	\$1,541		

Ausnet

























In Ausnet's network area, the average market offer post January 2021 is approximately \$1,645. A typical consumption household on the VDO can save around \$280 per annum if switching to the best published market offer. Simply Energy is the retailer that currently offers the best market offer rates in this area.



²⁶ Bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 4,800kWh per annum (single rate). These bill estimates are based on rates that were collected from the retailers' websites between 9 January 2021 and 14 January 2021 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

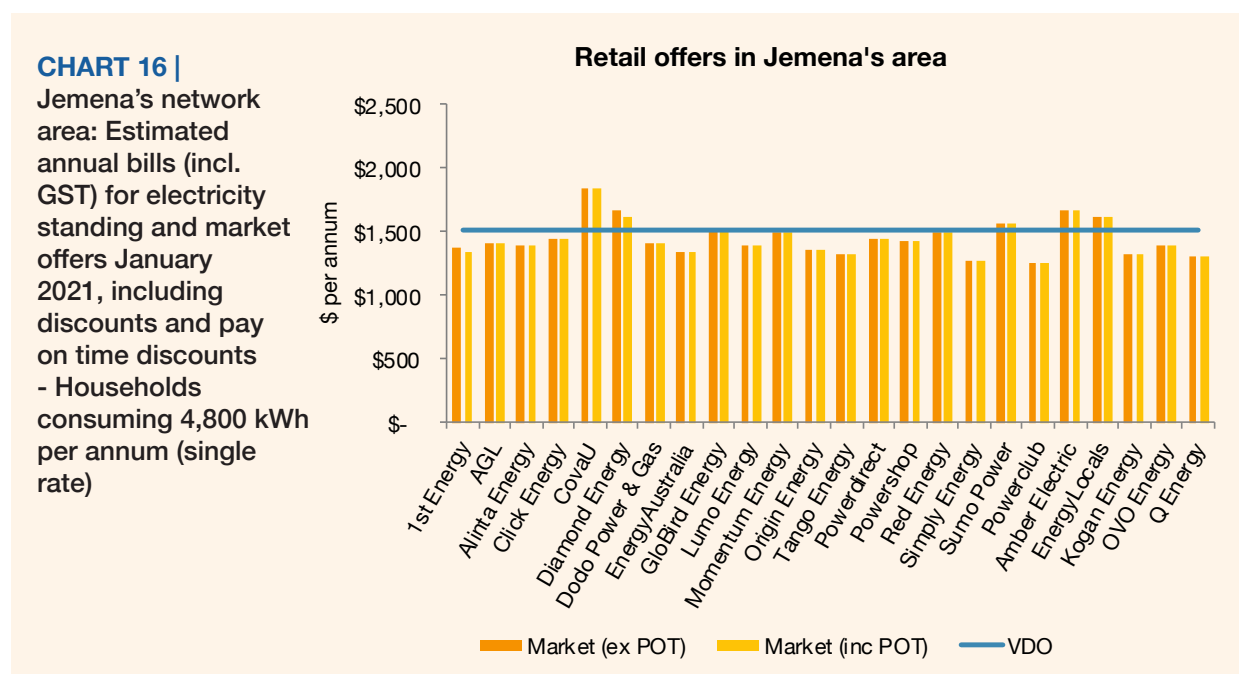
As in other network areas, the difference between the best and the worst market offers is significant. Simply Energy's offer is approximately \$610 less per annum than CovaU's market offer post discounts for households with this consumption level. Figure 3 below shows estimated annual bills for market offers post discounts in Ausnet's network area.²⁷

FIGURE 3 | Ausnet's network area: Lowest to highest annual bills

 Simply Energy	\$1,457	 Q Energy	\$1,583	 Sumo Energy	\$1,726
 Powerclub	\$1,466	 Powershop	\$1,591	 GloBird Energy	\$1,734
 Tango Energy	\$1,478	 Alinta Energy	\$1,593	 Diamond Energy	\$1,827
 Kogan Energy	\$1,507	 Dodo Power & Gas	\$1,638	 Amber Electric	\$1,831
 1st Energy	\$1,537	 AGL	\$1,647	 EnergyLocals	\$1,836
 OVO Energy	\$1,539	 Click Energy	\$1,648	 CovaU	\$2,065
 EnergyAustralia	\$1,543	 Powerdirect	\$1,664		
 Origin Energy	\$1,558	 Momentum Energy	\$1,708		
 Lumo Energy	\$1,563	 Red Energy	\$1,716		

Jemena

























In Jemena's network area, the average market offer post January 2021 is approximately \$1,445. A typical consumption household on the VDO can save around \$260 per annum if switching to the best published market offer. Powerclub is the retailer that currently offers the best market offer rates in this area.



²⁷ Bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 4,800kWh per annum (single rate). These bill estimates are based on rates that were collected from the retailers' websites between 9 January 2021 and 14 January 2021 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

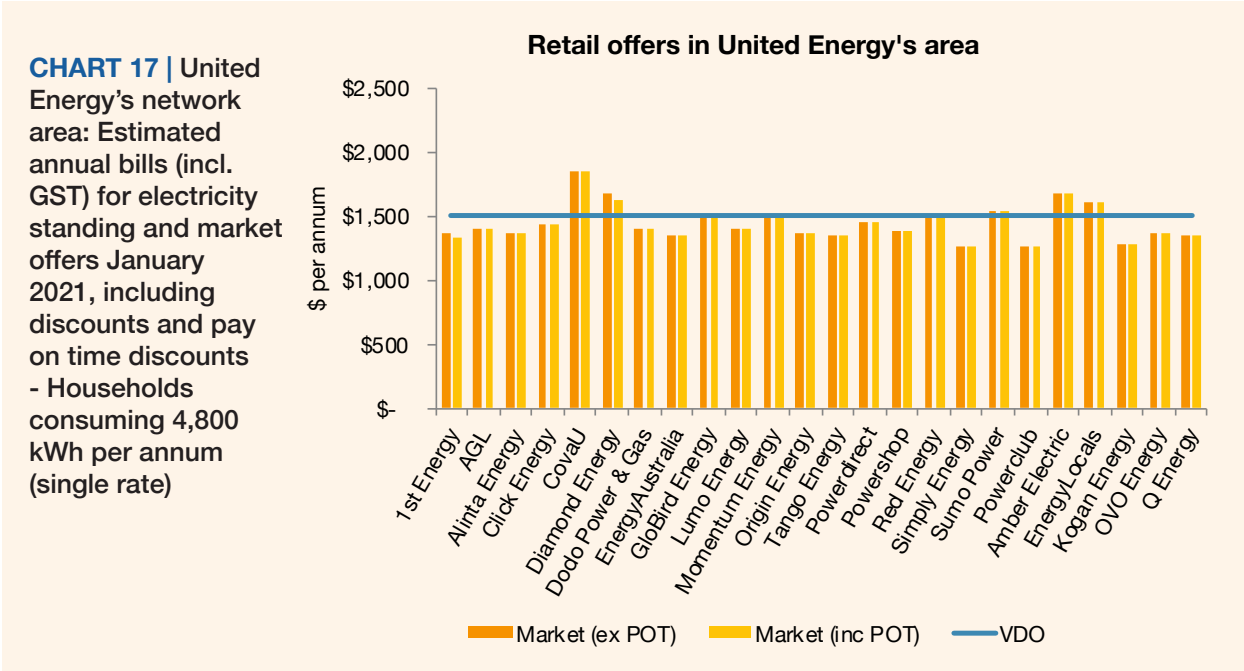
The difference between the best and the worst market offer is greater than the difference between the VDO and the best market offer. Powerclub’s offer is \$575 less than CovaU’s market offer post discounts (and pay on time discounts) for households with this consumption level. Figure 4 below shows estimated annual bills for market offers post discounts in Jemena’s network area.²⁸

FIGURE 4 | Jemena’s network area: Lowest to highest annual bills

	Powerclub	\$1,257		OVO Energy	\$1,386		GloBird Energy	\$1,514
	Simply Energy	\$1,271		Lumo Energy	\$1,400		Sumo Power	\$1,559
	Q Energy	\$1,310		AGL	\$1,407		EnergyLocals	\$1,616
	Kogan Energy	\$1,318		Dodo Power & Gas	\$1,408		Diamond Energy	\$1,623
	Tango Energy	\$1,320		Powershop	\$1,425		Amber Electric	\$1,668
	1st Energy	\$1,344		Click Energy	\$1,438		CovaU	\$1,833
	EnergyAustralia	\$1,347		Powerdirect	\$1,453			
	Origin Energy	\$1,366		Momentum Energy	\$1,490			
	Alinta Energy	\$1,385		Red Energy	\$1,498			

United Energy

























In United Energy’s network area, the average market offer post January 2021 is approximately \$1,440. A typical consumption household on the VDO can save around \$240 per annum if switching to the best published market offer. Simply Energy is the retailer that currently offers the best market offer rates in this area.



28 Bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 4,800kWh per annum (single rate). These bill estimates are based on rates that were collected from the retailers’ websites between 9 January 2021 and 14 January 2021 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

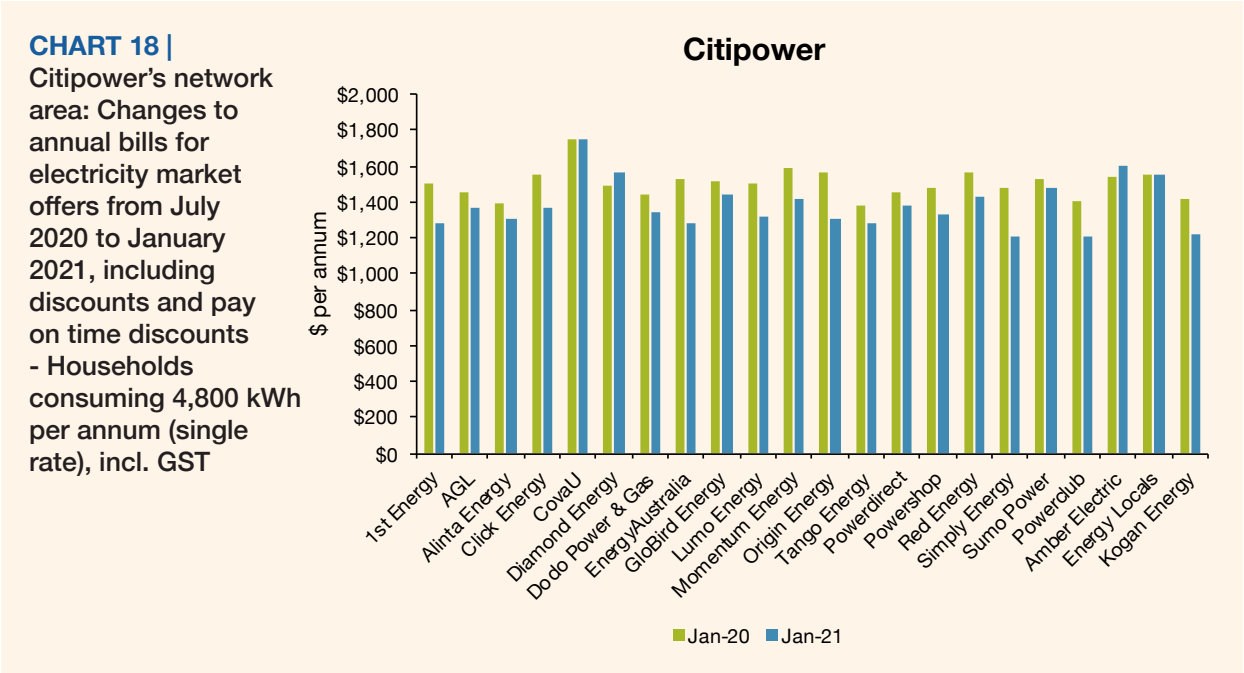
As in other network areas, the difference between the best and the worst market offers is significant. Simply Energy’s offer is approximately \$575 less per annum than CovaU’s market offer post discounts for households with this consumption level. Figure 5 below shows estimated annual bills for market offers post discounts in United Energy’s network area.²⁹

FIGURE 5 | United Energy’s network area: Lowest to highest annual bills

 Simply Power	\$1,268	 Alinta Energy	\$1,365	 GloBird Energy	\$1,510
 Powerclub	\$1,269	 Powershop	\$1,381	 Sumo Energy	\$1,531
 Kogan Energy	\$1,284	 Lumo Energy	\$1,393	 EnergyLocals	\$1,604
 1st Energy	\$1,336	 AGL	\$1,404	 Diamond Energy	\$1,620
 EnergyAustralia	\$1,344	 Dodo Power & Gas	\$1,408	 Amber Electric	\$1,673
 Tango Energy	\$1,353	 Click Energy	\$1,434	 CovaU	\$1,845
 QEnergy	\$1,355	 Powerdirect	\$1,449		
 OVO Energy	\$1,359	 Momentum Energy	\$1,487		
 Origin Energy	\$1,362	 Red Energy	\$1,494		

2.1.2. Changes to electricity market offers

While not all retailers changed their market offers in January 2021, the majority decreased their rates while a few increased their rates, compared to January 2020. Simply Energy, Origin Energy and EnergyAustralia are the retailers with the greatest price decreases while Diamond Energy and Amber Electric were the only retailer that had price increases. Charts 18 – 22 below show retailers’ market offers (as annual bills) as of January 2020 and January 2021, for each network area.

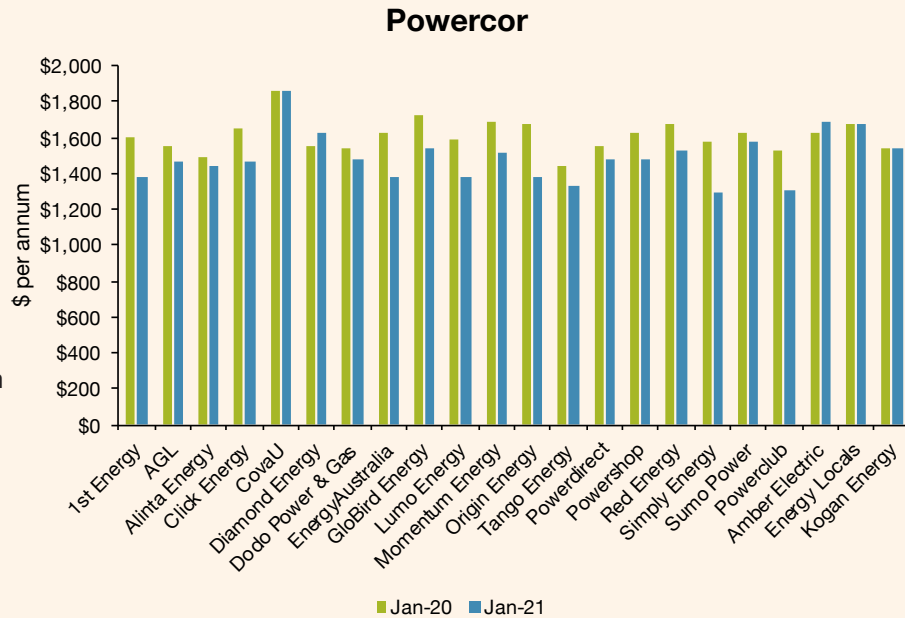


²⁹ Bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 4,800kWh per annum (single rate). These bill estimates are based on rates that were collected from the retailers’ websites between 9 January 2021 and 14 January 2021 and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

From January 2020 to January 2021, the VDO decreased by around \$180 (11%) in Citipower’s network area. One third of the retailers with market offers in this network area decreased their prices at a rate higher than the VDO. Simply Energy, Origin Energy and EnergyAustralia have the highest decreases, with a 18%, 17% and 16% decrease, respectively. Diamond Energy and Amber Electric, on the other hand, increased their prices.

CHART 19 |

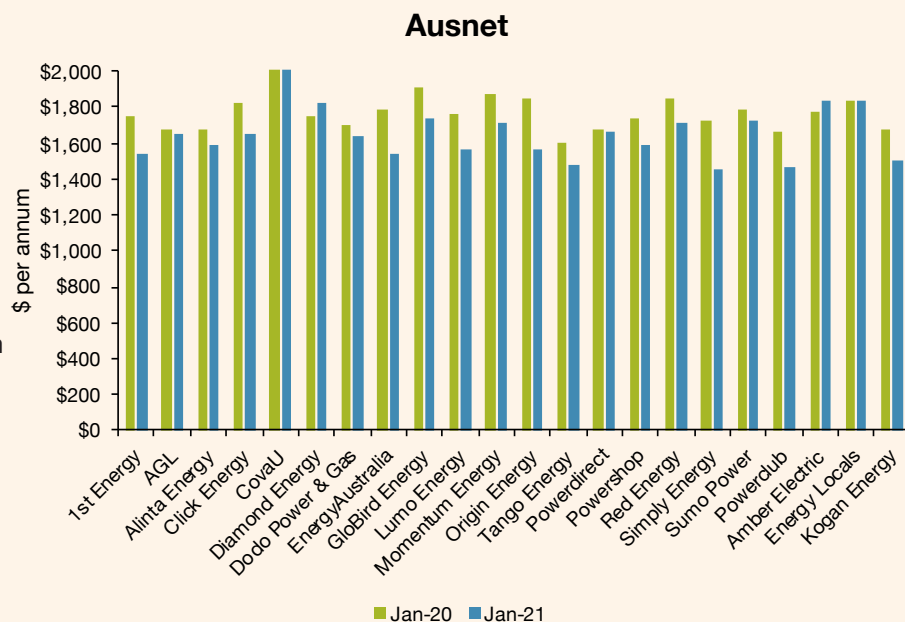
Powercor’s network area: Changes to annual bills for electricity market offers from July 2020 to January 2021, including discounts and pay on time discounts – Households consuming 4,800 kWh per annum (single rate), incl. GST



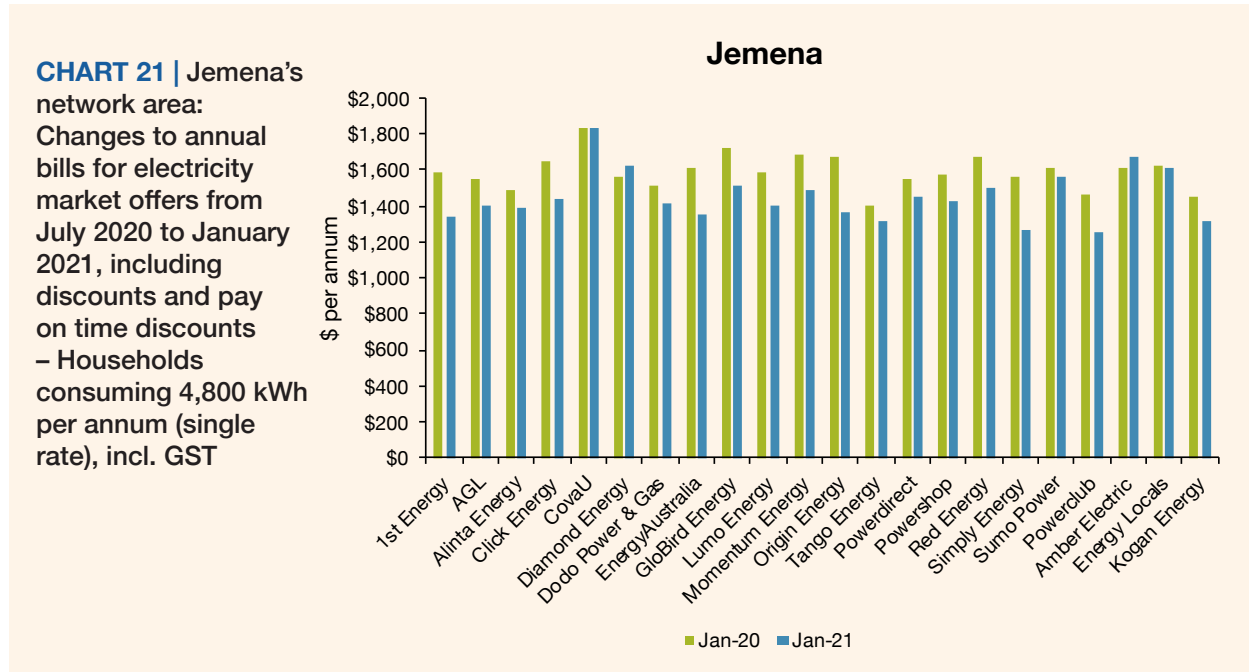
From January 2020 to January 2021, the VDO decreased by approximately \$180 (10.5%) in Powercor’s network area. One third of the retailers with market offers in this network area decreased their prices at a rate higher than the VDO. Once again, Simply Energy, Origin Energy and EnergyAustralia have the highest decreases, with a 18%, 17% and 15% decrease, respectively. Diamond Energy and Amber Electric, on the other hand, increased their prices.

CHART 20 |

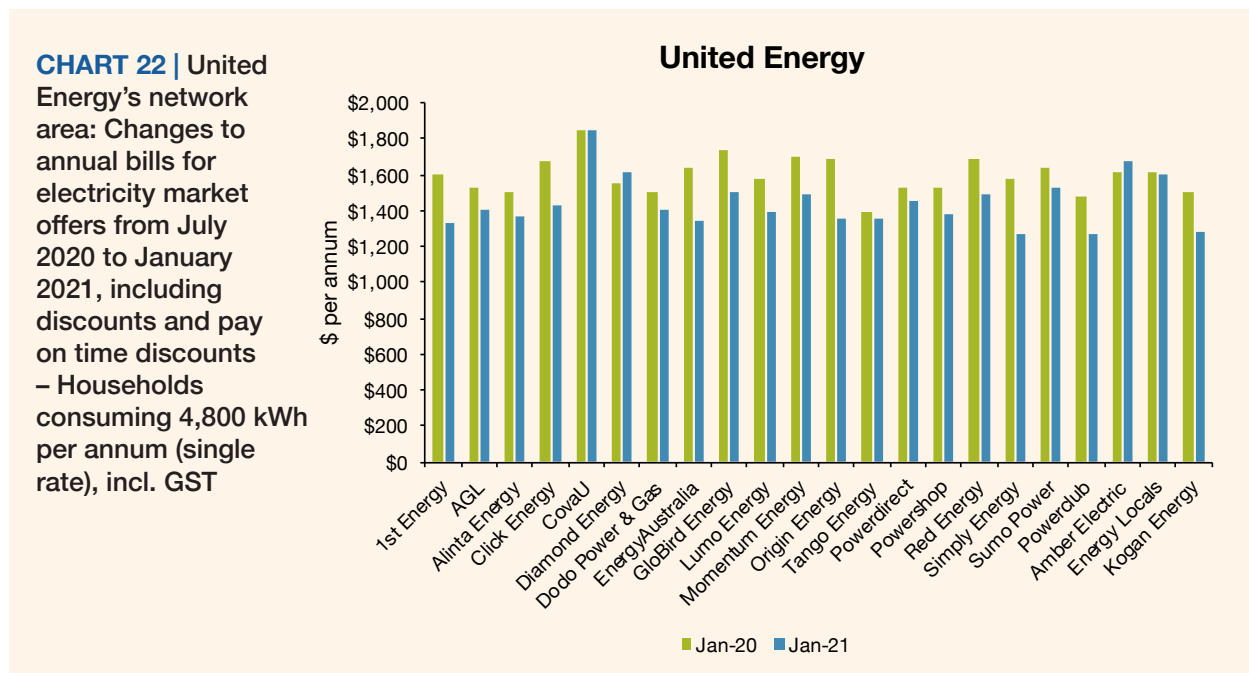
Ausnet’s network area: Changes to annual bills for electricity market offers from July 2020 to January 2021, including discounts and pay on time discounts – Households consuming 4,800 kWh per annum (single rate), incl. GST



From January 2020 to January 2021, the VDO decreased by approximately \$170 (9%) in Ausnet's network area. One third of the retailers with market offers in this network area decreased their prices at a rate higher than the VDO. Simply Energy, Origin Energy and EnergyAustralia have the highest decreases, with a 16% decrease for both Simply Energy and Origin Energy and a 14% decrease for EnergyAustralia. Once again, Diamond Energy and Amber Electric are the only two retailers that increased their prices.



From January 2020 to January 2021, the VDO decreased by approximately \$200 (12%) in Jemena's network area. Less than a third of the retailers with market offers in this network area decreased their prices at a rate higher than the VDO. Once again, Simply Energy, Origin Energy and EnergyAustralia have the highest decreases, with a 18% decrease for both Simply Energy and Origin Energy and a 16% decrease for EnergyAustralia. Diamond Energy and Amber Electric are the only retailers that increased their rates.

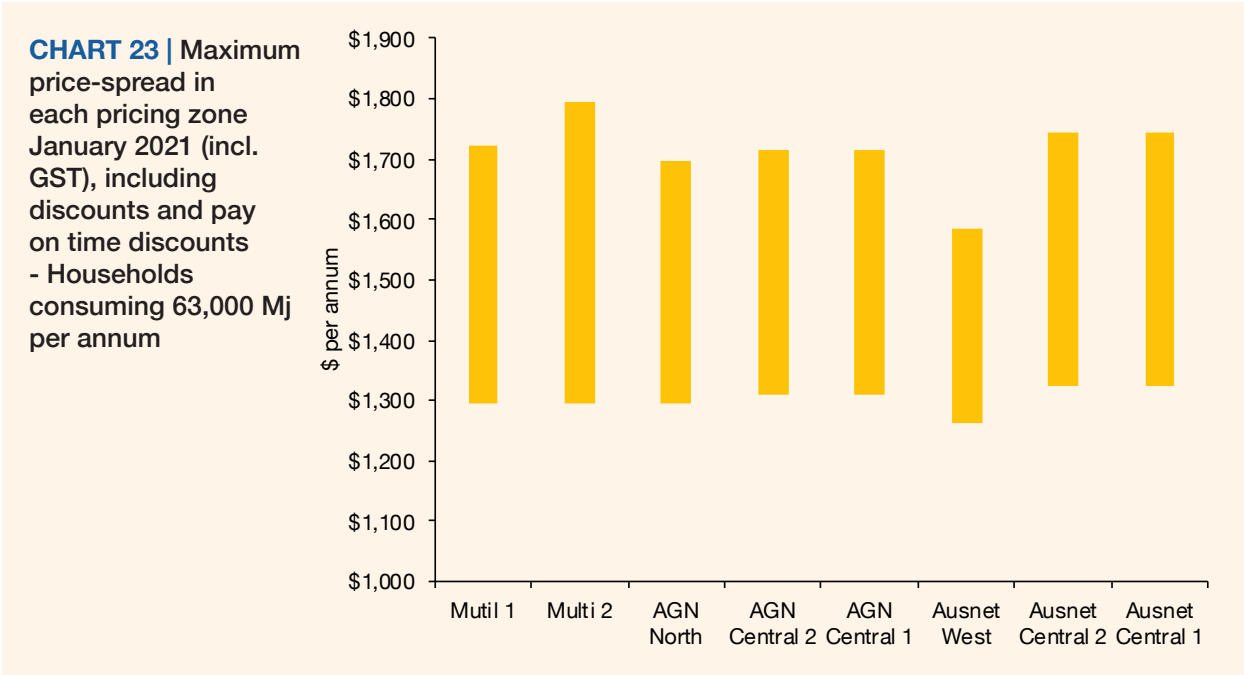


From January 2020 to January 2021, the VDO decreased by approximately \$230 (13%) in United Energy’s network area. Seven out of the 22 retailers with market offers in this network area decreased their prices at a rate higher than the VDO. Once again, Simply Energy, Origin Energy and EnergyAustralia have the highest decrease, with a 19% decrease for both Simply Energy and Origin Energy and 18% for EnergyAustralia. Diamond Energy and Amber Electric are still the only two retailers that have increased their prices.

2.2 Gas market offers post January 2021³⁰

- ▲ Typical consumption households (63,000Mj) can save \$840 - \$1,020 per annum (depending on their gas zone) if switching from the worst standing offer to the best market offer.³¹
- ▲ The greatest potential savings are in the Origin South East/AGN Central 1 and the Tru East/AGN Central 2 gas zones.³²
- ▲ The difference between the best and the worst market offers ranges from \$320 per annum (TRU West/Ausnet West) to approximately \$500 (AGL South/Multi 2) for customers with typical consumption levels.³³

Chart 23 below shows the retail market offer price-spread within each of the eight main gas pricing zones.



As with electricity, additional discounts apply to the gas market offer rates. The majority of these discounts are now conditional on the customer paying the bill by the due date. Table 2 below shows additional discounts applicable to the gas retailers’ published market offer rates.

³⁰ These bill estimates are based on rates that were collected from the retailers’ websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy’s offers which were located at the Victorian Government’s Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.
³¹ Based on the worst of the retailers’ standing offer and the best of the published market offers (including additional discounts and/or pay on time discounts).
³² Ibid.
³³ Households using 63,000Mj per annum. All market offer bills include additional discounts and/or pay on time discounts.

TABLE 2 | Gas market offer features January 2021³⁴

Retailer	Name	Effective from	Guaranteed discount	Pay on time discount	Contract term/benefit period	Other conditions
AGL	Essentials	1/1/21	No	No	12 months	No
Alinta Energy	Home Deal	1/1/21	No	No	No	No
Click Energy	Lily	1/1/21	No	No	No	Monthly billing only
CovaU	Smart Saver	5/1/21	16% off usage	No	No	Monthly billing only
Dodo Power & Gas [^]	Market offer	16/7/20	No	No	No	No
EnergyAustralia	Total Plan	1/1/21	27% off bill	No	12 months	No
Lumo Energy	Value	1/1/21	No	No	No	No
Momentum Energy	Market offer	1/1/21	No	No	No	No
Origin Energy	Go	1/1/21	No	No	12 months	No
Red Energy	Living Energy Saver	1/1/21	No	No	No	No
Simply Energy	Blue	1/1/21	21% off bill	No	No	No
Sumo Power	Freedom	1/7/20	No	No	No	No
GloBird Energy	GloSave [^]	1/12/20	No	No	No	Monthly billing only
Powershop	Market offer	1/2/21	No	No	No	Direct debit only
1st Energy	1st Saver Plus	1/1/21	12% off usage	3% off usage	No	Monthly billing only
Kogan Energy	Market offer	1/2/21	No	No	No	Direct debit only
Tango Energy	Home Select	18/11/20	No	No	No	No
Kogan Energy	Market offer	1/1/20	No	No	No	Direct debit only
Tango Energy	Home Select	18/11/20	No	No	No	No

[^] Additional discounts for direct debit, e-billing or dual fuel customers may apply

2.2.1. Potential savings - Differences between gas offers

Typical consumption households (63,000Mj per annum) on the worst standing offer can save \$840 - \$1,020 per annum if switching to the best published market offer (depending on their gas zone).

Charts 24 - 31 below show annual retail bills for typical consumption (63,000Mj per annum) for each of the eight main gas zones. The blue columns to the left represent the standing offer bill, the green columns are the market offers including guaranteed discounts (but not pay on time discounts) while the orange columns are market offer bills including pay on time discounts.³⁵ Figures 6 – 13 below rank gas market offers according to size of annual bill.³⁶

³⁴ Most retailers have more than one market offer product. The offers used for this analysis are those we deem ongoing, key products with as few conditions (i.e. direct debit, e-billing and exit fees) as possible. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

³⁵ Based on market offer bills that include discounts and pay on time discounts.

³⁶ As a retailer with good value gas rates can have expensive electricity rates (and vice versa), we seek to focus on retail offers available to customers independently from other products.

Multinet 1/Origin Metro Gas Zone

In the Multinet 1 gas zone, average consumption households on the worst standing offer can save approximately \$930 per annum if switching to the best published market offer. Tango Energy is the retailer with the best market offer rates in this gas zone.

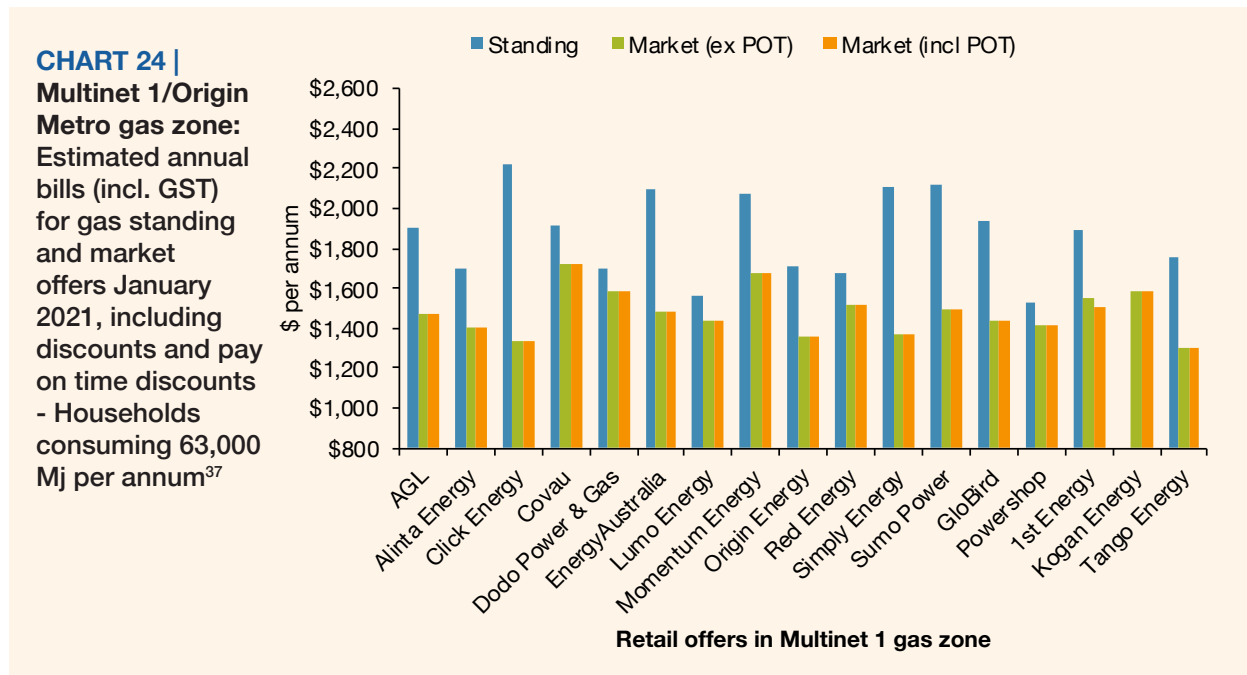



















Figure 6 below shows estimated annual bills for gas market offers post discounts in the Multinet 1 gas zone. The difference between the best (Tango Energy) and the worst (CovaU) is approximately \$430 per annum.

FIGURE 6 | Multinet 1/Origin Metro gas network area: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum³⁸

 Tango Energy	\$1,296	 EnergyAustralia	\$1,480
 Click Energy	\$1,335	 Sumo Power	\$1,498
 Origin Energy	\$1,360	 1st Energy	\$1,501
 Simply Energy	\$1,374	 Red Energy	\$1,517
 Alinta Energy	\$1,403	 Dodo Power & Gas	\$1,579
 Powershop	\$1,409	 Kogan Energy	\$1,584
 GloBird Energy	\$1,433	 Momentum Energy	\$1,677
 Lumo Energy	\$1,436	 CovaU	\$1,724
 AGL	\$1,473		

³⁷ Discounts (excluding GST) have been applied to consumption and/or total bill as per offers listed in the table 2.

³⁸ Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

Multinet 2/AGL South Gas Zone

In the Multinet 2 gas zone, average consumption households on the worst standing offer can save approximately \$930 per annum if switching to the best published market offer. Tango Energy is the retailer with the best market offer rates in this gas zone.

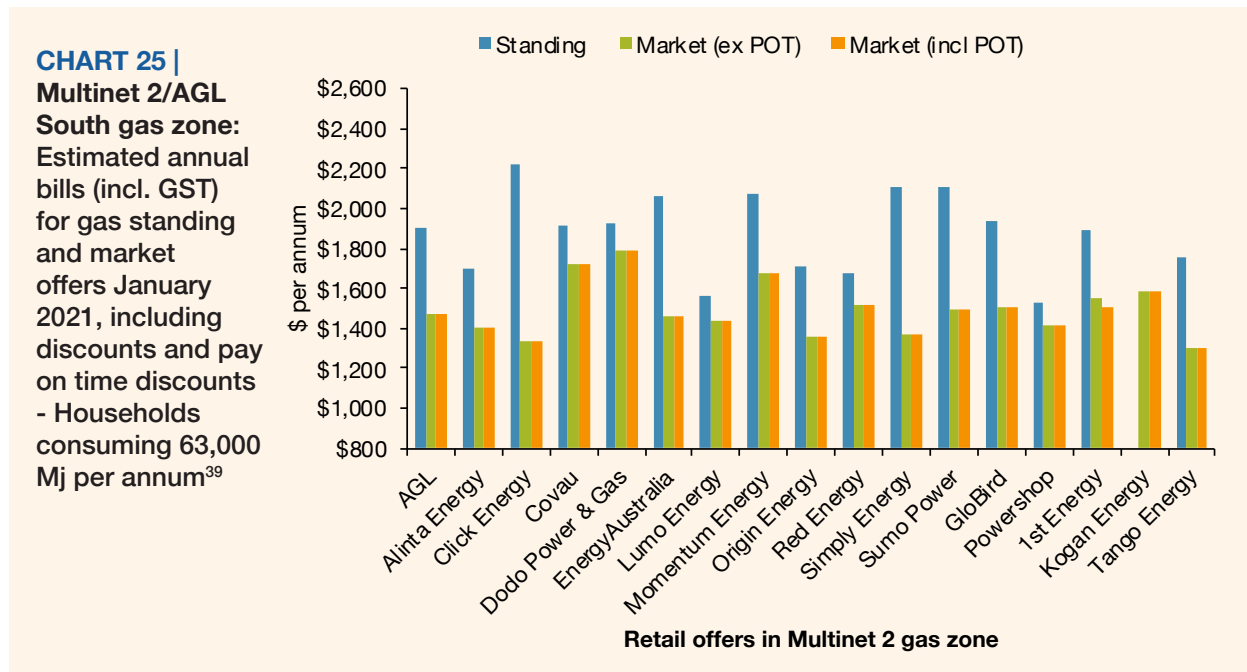


















Figure 7 below shows estimated annual bills for gas market offers post discounts in the Multinet 2 gas zone. The difference between the best (Tango Energy) and the worst (Dodo Power & Gas) is approximately \$500 per annum.

FIGURE 7 | Multinet 2/AGL South gas zone: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁴⁰

 Tango Energy	\$1,296	 Sumo Power	\$1,499
 Click Energy	\$1,335	 1st Energy	\$1,501
 Origin Energy	\$1,360	 GloBird Energy	\$1,503
 Simply Energy	\$1,374	 Red Energy	\$1,517
 Alinta Energy	\$1,403	 Kogan Energy	\$1,584
 Powershop	\$1,409	 Momentum Energy	\$1,677
 Lumo Energy	\$1,436	 CovaU	\$1,724
 EnergyAustralia	\$1,456	 Dodo Power & Gas	\$1,793
 AGL	\$1,473		

³⁹ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁴⁰ Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

AGN North/Origin North Gas Zone

In the AGN North gas zone, average consumption households on the worst standing offer can save approximately \$870 per annum if switching to the best published market offer. Click Energy is the retailer with the best market offer rates in this gas zone.

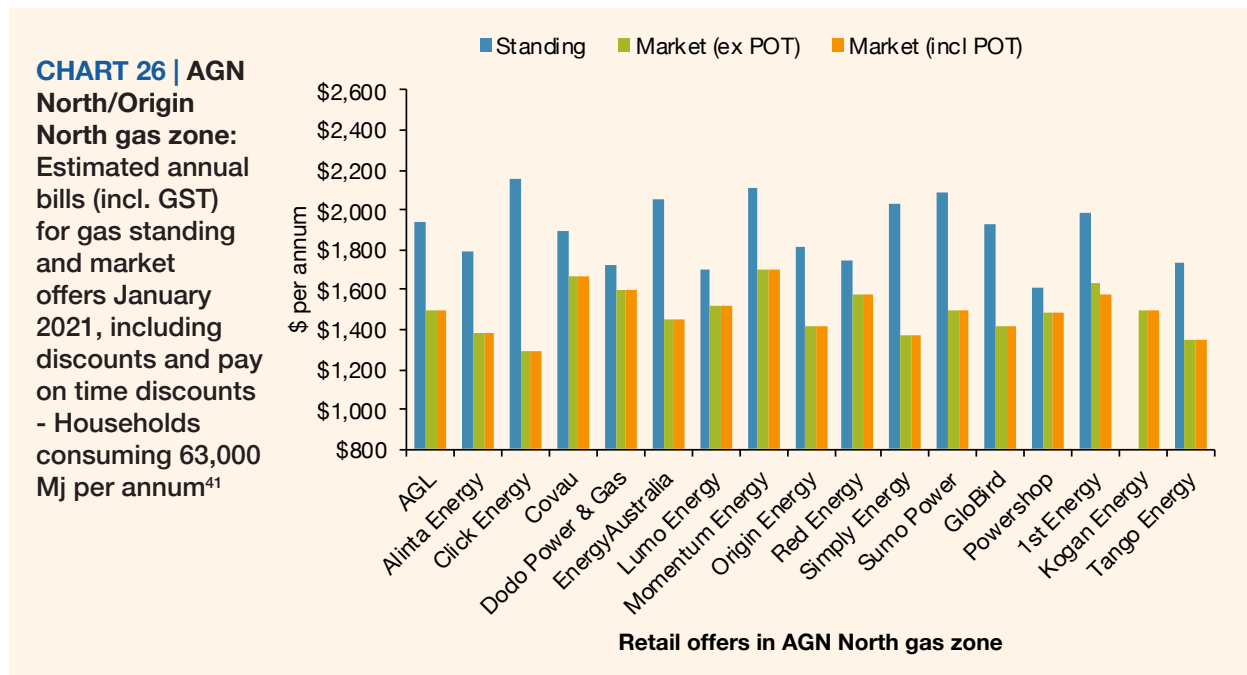


Figure 8 below shows estimated annual bills for gas market offers post discounts in the AGN North gas zone. The difference between the best (Click Energy) and the worst (Momentum Energy) is approximately \$400 per annum.

FIGURE 8 | AGN North/Origin North gas zone: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁴²

	Click Energy	\$1,294		Kogan Energy	\$1,499
	Tango Energy	\$1,353		Sumo Power	\$1,502
	Simply Energy	\$1,374		Lumo Energy	\$1,520
	Alinta Energy	\$1,383		Red Energy	\$1,575
	GloBird Energy	\$1,417		1st Energy	\$1,578
	Origin Energy	\$1,420		Dodo Power & Gas	\$1,601
	EnergyAustralia	\$1,454		Covau	\$1,669
	Powershop	\$1,489		Momentum Energy	\$1,698
	AGL	\$1,493			

⁴¹ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁴² Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

AGN Central 2/Tru East Gas Zone

In the AGN Central 2 gas zone, average consumption households on the worst standing offer can save approximately \$1,020 per annum if switching to the best published market offer. Tango Energy is the retailer with the best market offer rates in this gas zone.

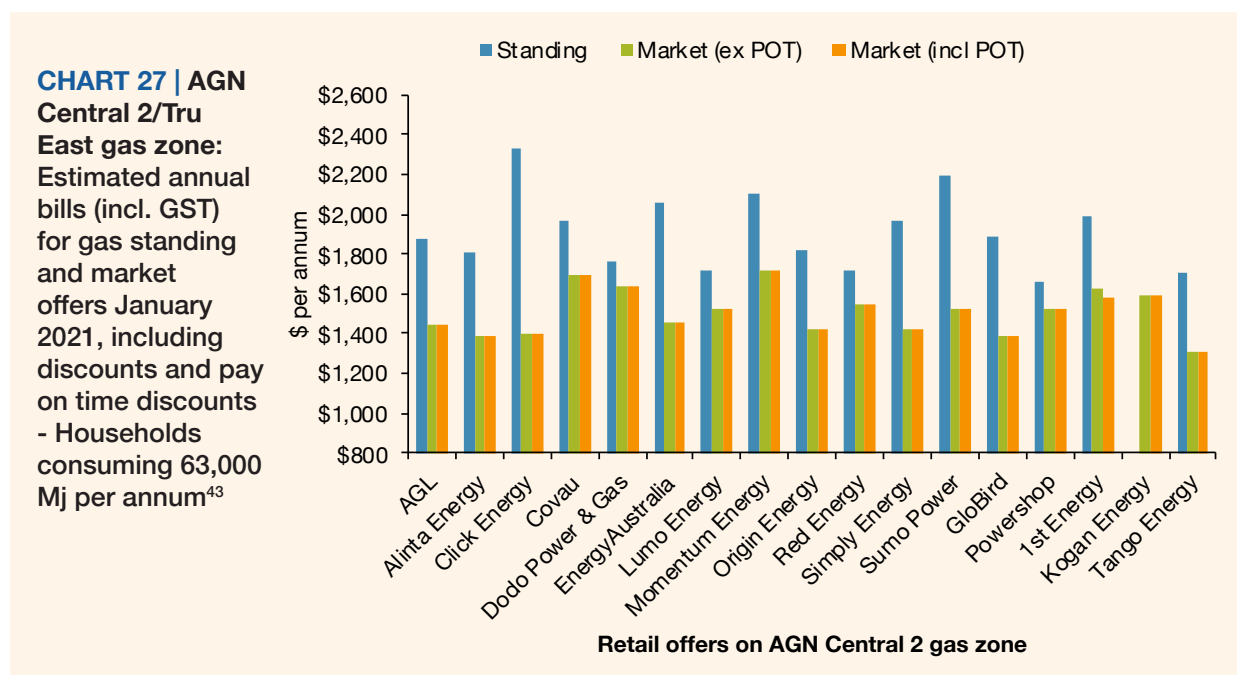

















Figure 9 below shows estimated annual bills for gas market offers post discounts in the AGN Central 2 gas zone. The difference between the best (Tango Energy) and the worst (Momentum Energy) is approximately \$400 per annum.

FIGURE 9 | AGN Central 2/Tru East gas zone: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁴⁴

 Tango Energy	\$1,311	 Powershop	\$1,520
 Alinta Energy	\$1,389	 Sumo Power	\$1,527
 GloBird Energy	\$1,390	 Red Energy	\$1,544
 Click Energy	\$1,396	 1st Energy	\$1,578
 Simply Energy	\$1,418	 Kogan Energy	\$1,593
 Origin Energy	\$1,420	 Dodo Power & Gas	\$1,641
 AGL	\$1,447	 Covau	\$1,689
 EnergyAustralia	\$1,452	 Momentum Energy	\$1,714
 Lumo Energy	\$1,520		

⁴³ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁴⁴ Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

AGN Central 1/Origin South East Gas Zone

In the AGN Central 1 gas zone, average consumption households on the worst standing offer can save approximately \$1,020 per annum if switching to the best published market offer. Tango Energy is the retailer with the best market offer rates in this gas zone.

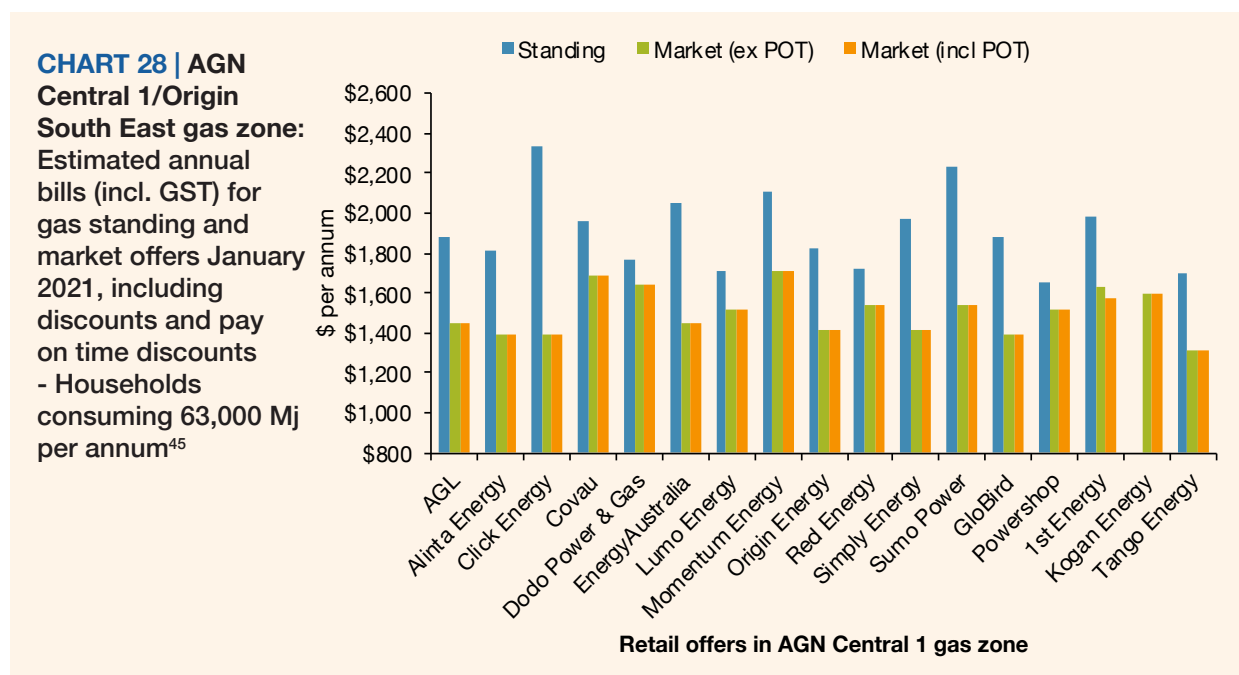


















Figure 10 below shows estimated annual bills for gas market offers post discounts in the AGN Central 1 gas zone. The difference between the best (Tango Energy) and the worst (Momentum Energy) is approximately \$400 per annum.

FIGURE 10 | AGN Central 1/Origin South East gas zone: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁴⁶

 Tango Energy	\$1,311	 Powershop	\$1,520
 Alinta Energy	\$1,389	 Sumo Power	\$1,538
 GloBird Energy	\$1,390	 Red Energy	\$1,544
 Click Energy	\$1,396	 1st Energy	\$1,578
 Simply Energy	\$1,418	 Kogan Energy	\$1,593
 Origin Energy	\$1,420	 Dodo Power & Gas	\$1,641
 AGL	\$1,447	 Covau	\$1,689
 EnergyAustralia	\$1,452	 Momentum Energy	\$1,714
 Lumo Energy	\$1,520		

⁴⁵ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁴⁶ Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

Ausnet West/Tru West Gas Zone

In the Ausnet West gas zone, average consumption households on the worst standing offer can save approximately \$840 per annum if switching to the best published market offer. Click Energy is the retailer with the best market offer rates in this gas zone.

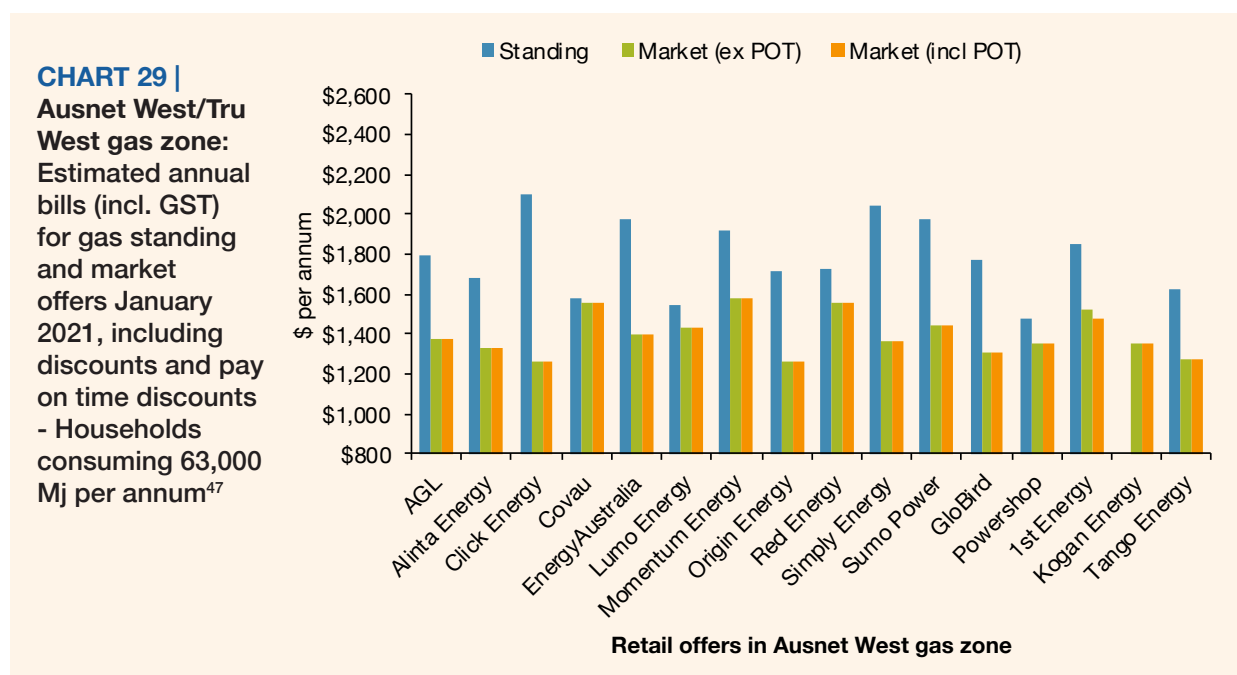












Figure 11 below shows estimated annual bills for gas market offers post discounts in the Ausnet West gas zone. The difference between the best (Click Energy) and the worst (Momentum Energy) is approximately \$320 per annum.

FIGURE 11 | Ausnet West/Tru West gas zone: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁴⁸

 Click Energy	\$1,263	 EnergyAustralia	\$1,398
 Origin Energy	\$1,266	 Lumo Energy	\$1,436
 Tango Energy	\$1,268	 Sumo Power	\$1,442
 GloBird Energy	\$1,312	 1st Energy	\$1,476
 Alinta Energy	\$1,334	 Red Energy	\$1,554
 Kogan Energy	\$1,354	 Covau	\$1,557
 Powershop	\$1,355	 Momentum Energy	\$1,584
 Simply Energy	\$1,360		
 AGL	\$1,380		

⁴⁷ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁴⁸ Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

Ausnet Central 2/AGL North Gas Zone

In the Ausnet Central 2 gas zone, average consumption households on the worst standing offer can save approximately \$940 per annum if switching to the best published market offer. Origin Energy is the retailer with the best market offer rates in this gas zone.

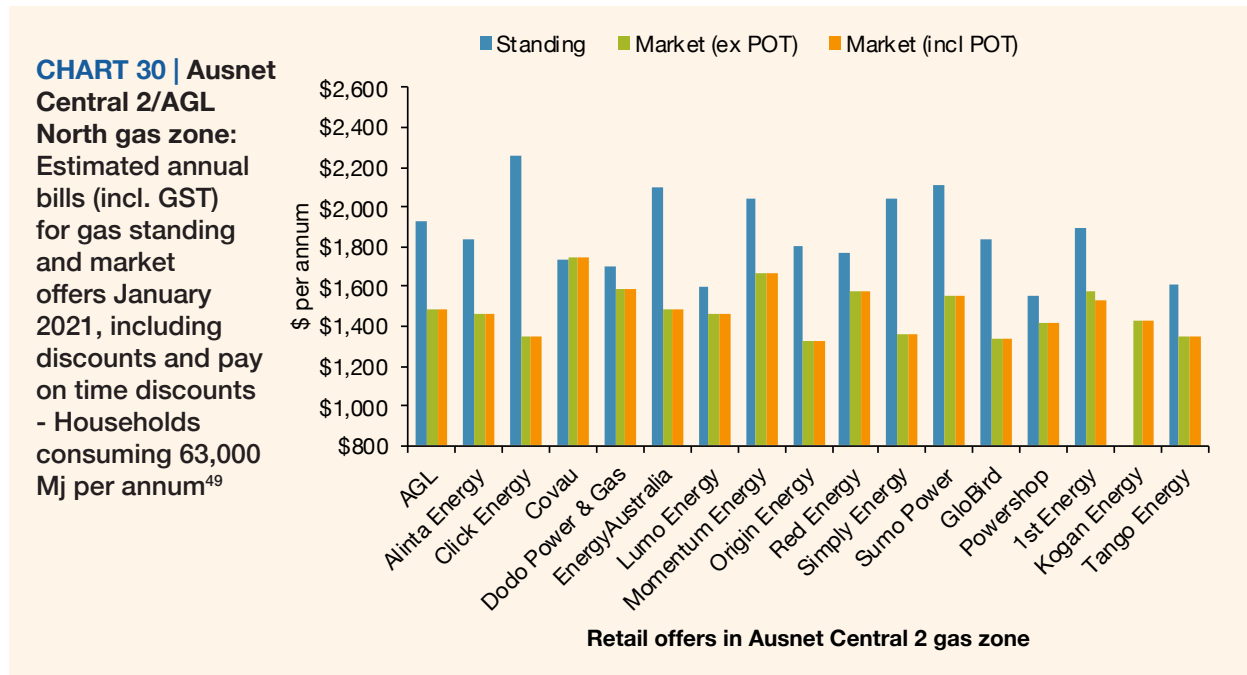



















Figure 12 below shows estimated annual bills for gas market offers post discounts in the Ausnet Central 2. The difference between the best (Origin Energy) and the worst (CovaU) is approximately \$420 per annum.

FIGURE 12 | Ausnet Central 2/AGL North gas zone: Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁵⁰

 Origin Energy	\$1,324	 EnergyAustralia	\$1,483
 GloBird Energy	\$1,344	 AGL	\$1,490
 Tango Energy	\$1,345	 1st Energy	\$1,533
 Click Energy	\$1,354	 Sumo Power	\$1,551
 Simply Energy	\$1,361	 Red Energy	\$1,577
 Powershop	\$1,422	 Dodo Power & Gas	\$1,585
 Kogan Energy	\$1,429	 Momentum Energy	\$1,672
 Alinta Energy	\$1,459	 CovaU	\$1,743
 Lumo Energy	\$1,466		

⁴⁹ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁵⁰ Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

Ausnet Central 1/Tru Central Gas Zone

In the Ausnet Central 1 gas zone, average consumption households on the worst standing offer can save approximately \$940 per annum if switching to the best published market offer. Origin Energy is again the retailer with the best market offer rates in this gas zone.

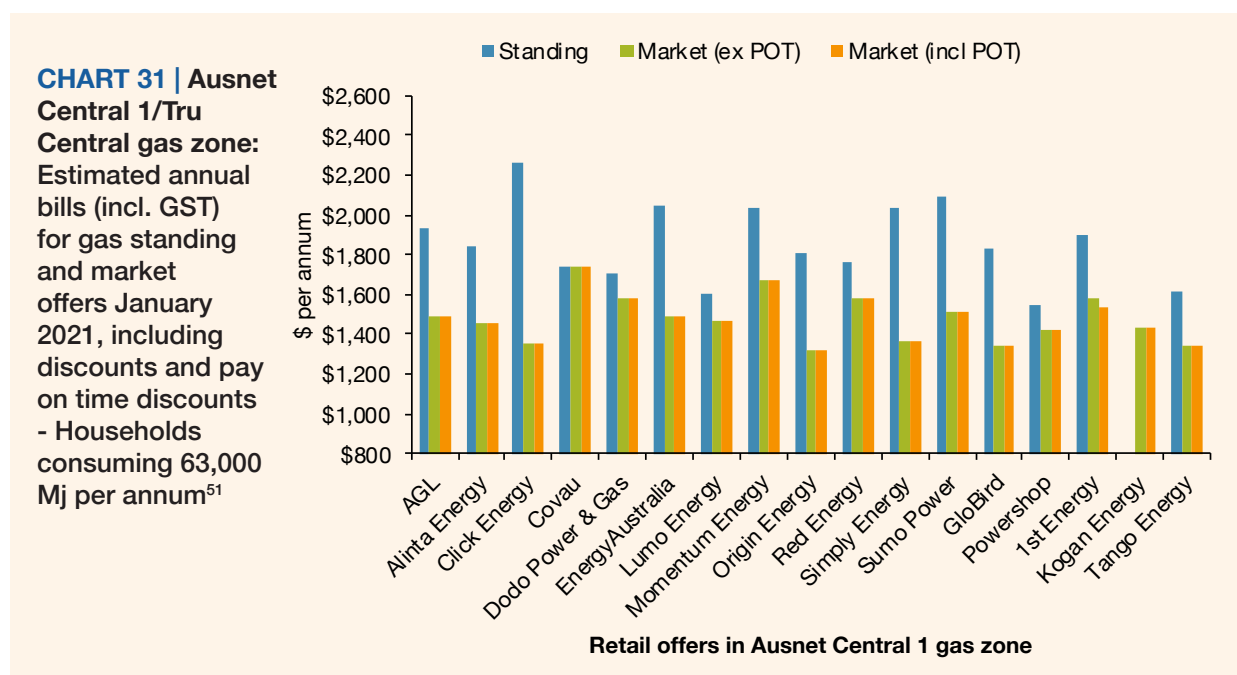

















Figure 13 below shows estimated annual bills for gas market offers post discounts in the Ausnet Central 1 gas zone. The difference between the best (Origin) and the worst (CovaU) is approximately \$420 per annum.

FIGURE 13 | Ausnet Central 1/Tru Central gas zone: : Lowest to highest annual bills (incl GST) for market offers January 2021, including discounts and pay on time discounts - Households consuming 63,000Mj per annum⁵²

 Origin Energy	\$1,324	 EnergyAustralia	\$1,489
 GloBird Energy	\$1,344	 AGL	\$1,490
 Tango Energy	\$1,345	 Sumo Power	\$1,508
 Click Energy	\$1,354	 1st Energy	\$1,533
 Simply Energy	\$1,361	 Red Energy	\$1,577
 Powershop	\$1,422	 Dodo Power & Gas	\$1,585
 Kogan Energy	\$1,429	 Momentum Energy	\$1,672
 Alinta Energy	\$1,459	 CovaU	\$1,743
 Lumo Energy	\$1,466		

⁵¹ Discounts have been applied to consumption and/or total bill as per offers listed in the table 2.

⁵² Only retailers that offer stand-alone gas contracts have been included in this figure. These bill estimates are based on rates that were collected from the retailers' websites on the 12th and 13th of January 2021 (except for Simply Energy and Tango Energy's offers which were located at the Victorian Government's Energy Compare website) and it must be noted that retailers may change their rates at any time. Additional discounts for customers choosing to pay by direct debit are not included in these bill calculations.

2.2.2. Changes to gas market offers

While some retailers did not change their gas market offers in January 2020, some decreased their rates while others increased theirs. AGL and Dodo Power & Gas are the retailers with the greatest price increases while Alinta Energy, Click Energy and Origin Energy had the greatest price decreases. Charts 32 – 39 below show retailers’ market offers (as annual bills) as of January 2020 and January 2021, as well as percentage changes, for each gas zone.

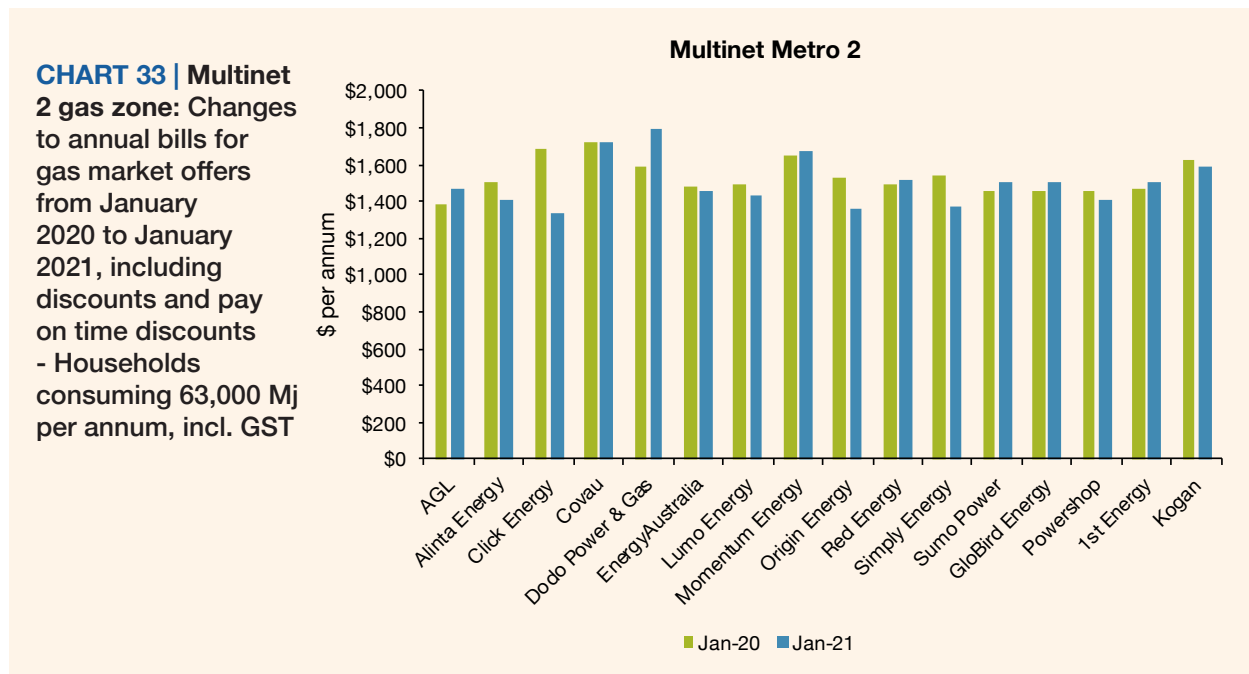
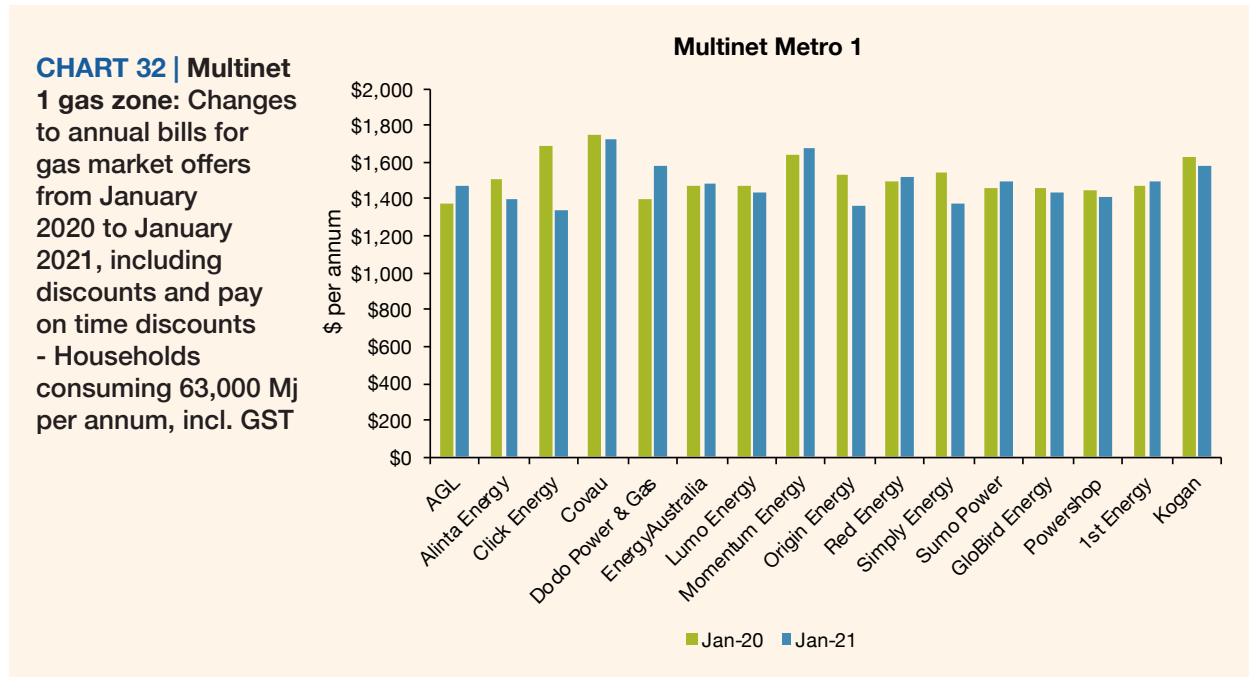


CHART 35 | AGN North gas zone: Changes to annual bills for gas market offers from January 2020 to January 2021, including discounts and pay on time discounts - Households consuming 63,000 Mj per annum, incl. GST

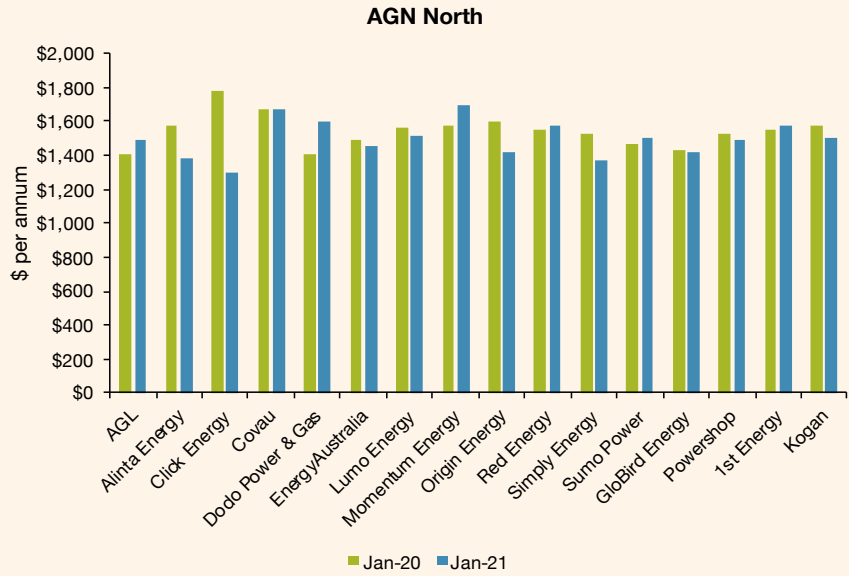


CHART 36 | AGN Central 2 gas zone: Changes to annual bills for gas market offers from January 2020 to January 2021, including discounts and pay on time discounts - Households consuming 63,000 Mj per annum, incl. GST

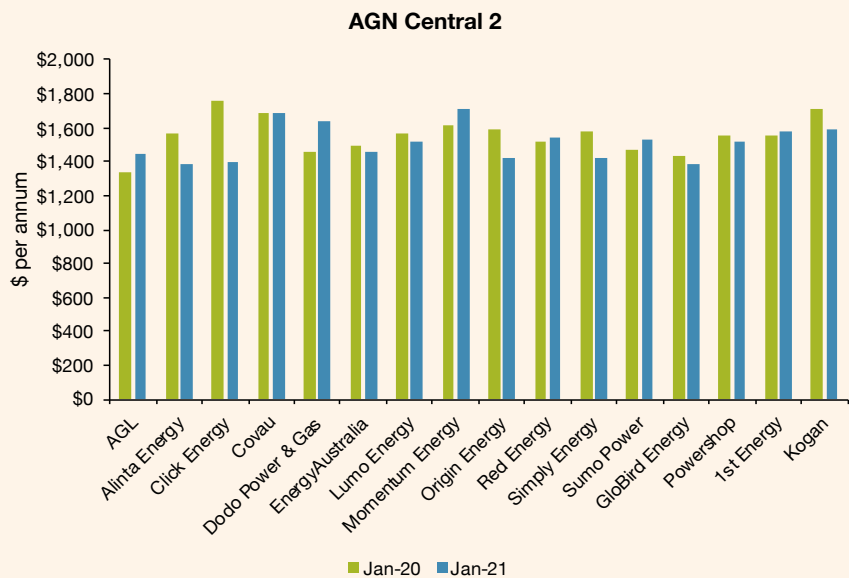


CHART 37 | AGN Central 1 gas zone: Changes to annual bills for gas market offers from January 2020 to January 2021, including discounts and pay on time discounts - Households consuming 63,000 Mj per annum, incl. GST

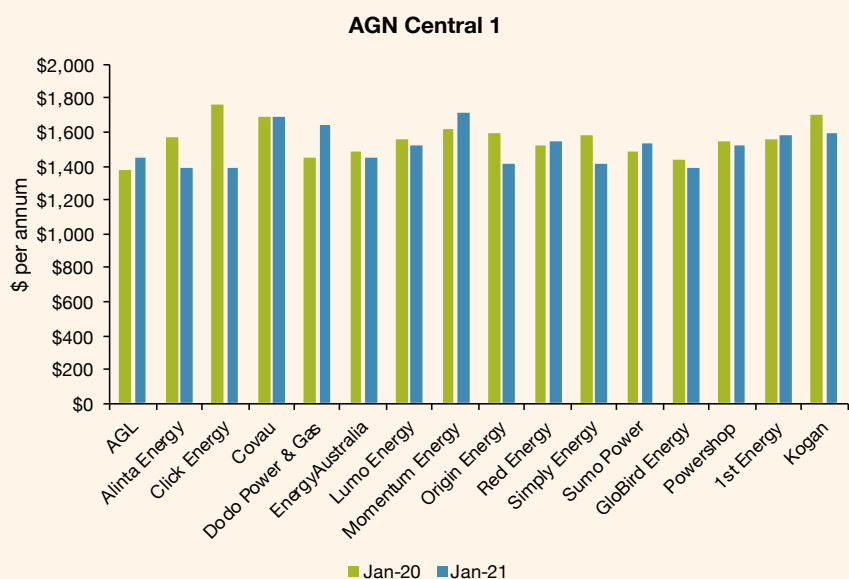


CHART 38 | Ausnet West gas zone: Changes to annual bills for gas market offers from January 2020 to January 2021, including discounts and pay on time discounts - Households consuming 63,000 Mj per annum, incl. GST



CHART 39 | Ausnet Central 2 gas zone: Changes to annual bills for gas market offers from January 2020 to January 2021, including discounts and pay on time discounts - Households consuming 63,000 Mj per annum, incl. GST

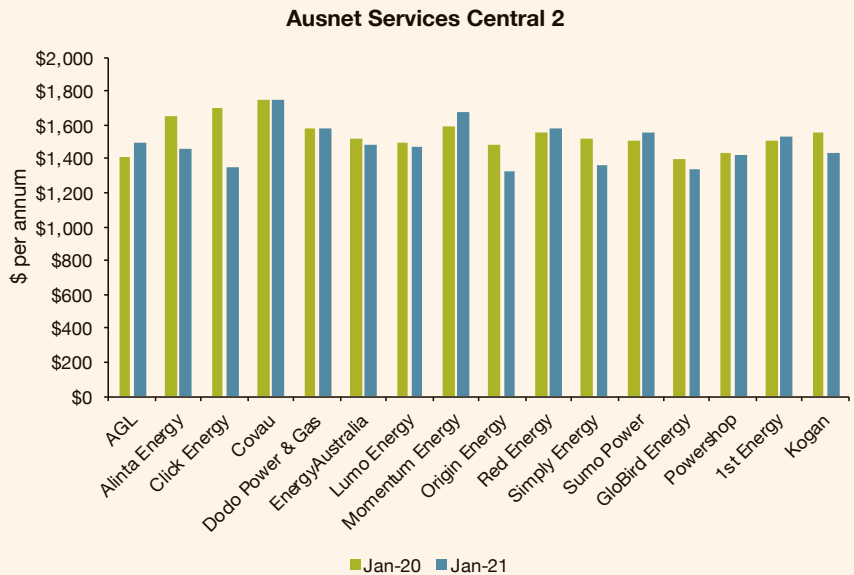
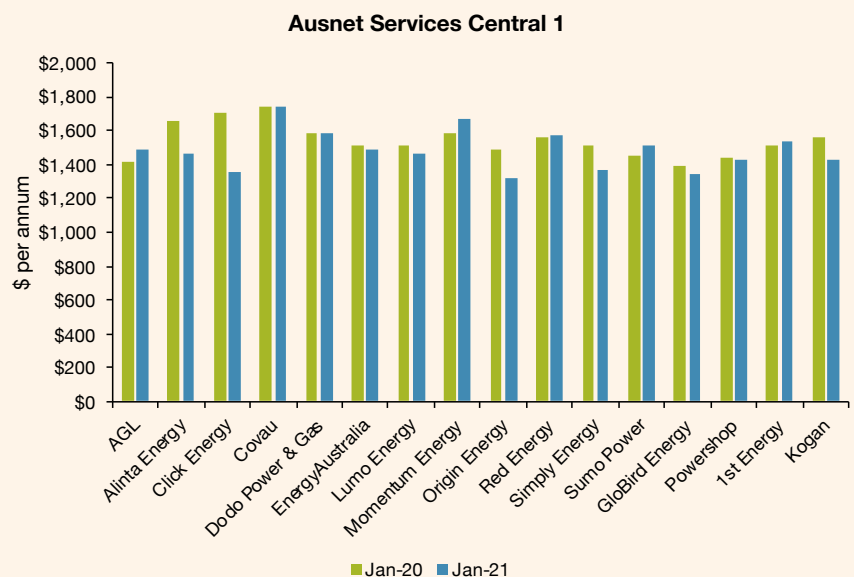


CHART 40 | Ausnet Central 1 gas zone: Changes to annual bills for gas market offers from January 2020 to January 2021, including discounts and pay on time discounts - Households consuming 63,000 Mj per annum, incl. GST



2.3 Solar market offers January 2021

- ▲ The maximum price-spread is around \$575 in Ausnet, \$475 in Jemena, \$440 in Powercor, \$440 in United Energy and \$430 in Citipower.⁵³
- ▲ Depending on network area, Melbourne solar customers with a 3kW system installed would on average pay between \$740 and \$810 less per annum compared to non-solar households.⁵⁴
- ▲ Non-metropolitan households would on average pay between \$850 and \$940 less per annum compared to non-solar households.⁵⁵

While many solar customers currently receive a solar feed in rate (FIT) of 60 cents (the premium FIT scheme), this scheme is closed to new entrants and new solar customers should therefore carefully assess both the retailers' FIT rates as well as the cost of electricity imported when choosing a solar offer.⁵⁶

This section analyses and compares market offer bills for Victorian customers with 1.5 kW and 3 kW systems installed. As retailers are not required to publish rates for solar products purchased and installed through them, this analysis only examines electricity offers available to customers independently of solar panels and installation.

Methodology and assumptions

To calculate the annual bills for the various solar market offers the following assumptions and methodology have been applied:

- An annual household consumption of 4,800 kWh (including both produced and imported).
- Calculations have been produced for households with 1.5 kW and 3 kW systems only.
- For Melbourne households, an annual generation capacity per kW installed of 1.539 MWh and an export rate of 47.4% for 3 kW systems and 14.9% for 1.5 kW systems.⁵⁷
- For non-metropolitan households, an annual generation capacity per kW installed of 1.789 MWh and an export rate of 54.8% for 3 kW systems and 26.8% for 1.5 kW systems.⁵⁸
- Only FIT rates available to new customers have been included. Retailer funded FIT rates have been applied as per offer (see table 4 below).
- A flat annual consumption has been assumed.
- The annual bills have been based on quarterly bill calculations and all step increases have been applied as quarterly thresholds (including when the retail offer refers to daily or monthly thresholds). Daily fixed charges have been multiplied by 91 to calculate the quarterly amount.

⁵³ Based on households using 4,800 kWh per annum, single rate metering and a 3 kW system installed. Calculations include discounts off usage or bill as well as pay on time discounts off usage or bill. Note CovaU does not have an offer in the Ausnet network.

⁵⁴ *Ibid.*

⁵⁵ *Ibid.*

⁵⁶ Approximately 88,000 households, small businesses and community groups are on the PFIT scheme and the 60 cents rate is set to last until 2024 see <http://delwp.vic.gov.au/energy/electricity/victorian-feed-in-tariff/closed-feed-in-tariff-schemes/premium-feed-in-tariff>.

⁵⁷ These figures are based analysis presented in a report for the Alternative Technology Association (ATA), Alvis Consulting, *Retail Offers and Market Transparency for New Solar Customers*, June 2013.

⁵⁸ *Ibid.*

TABLE 3 | Retailers' FIT rates⁵⁹

Retailer	Offer	FIT rate (c/kWh)
AGL	Essentials	10.2
Alinta Energy	Home Deal	10.2
Click Energy	Lily	10.2
Diamond Energy	Renewable Saver POT	10.2
Dodo Power & Gas	Market offer	12
EnergyAustralia	Total Plan Home	12
GloBird Energy	Suresave	10.2
Lumo Energy	Value	10.2
Momentum Energy	Solar Step Up	13.5
Origin Energy	Solar Boost	14
Tango Energy	Home Select	10.2
Powerdirect	Rate Saver	10.2
Powershop	100% Carbon Neutral	10.2
Red Energy	Living Energy Saver	10.2
Simply Energy	NRMA Blue	10.2
Sumo Power	Freedom	10.2
CovaU	Smart Saver Solar	10.2
1st Energy	Solar Bonus	15.2
Powerclub	Powerbank Home	10.2
Amber Electric	Amber Plan	10.2
Energy Locals	Local Saver	14
Kogan Energy	Market offer	10.2
OVO Energy	The One Plan	10.2
Q Energy	MiniMe	

Chart 40 below compares annual retail bills for solar customers in Melbourne (Citipower) with 3 kW and 1.5 kW installed. It shows that for this consumption level, the average market offer bill for households in this area with a 3kW system installed is \$630 and that is around \$740 less than the average market offer bill for non-solar customers (see chart 13 in section 2.1.1 above). Households with a 1.5 kW system installed will typically have an annual bill of around \$950.

Melbourne (Citipower) solar customers with 3 kW systems (and this consumption level) would be approximately \$425 per annum better off on Powerclub's offer compared to CovaU's.

Chart 40 also shows that 1st Energy, Energy Locals and Origin Energy produce annual bills that are above the average for 1.5 kW systems despite having some of the highest FIT rates (14, 14 and 13.5 c/kWh respectively). This highlights the importance of solar customers not choosing retail offers based on FIT rates alone.

⁵⁹ Note that Energy Locals has a peak FIT rate of 20c/kWh, an off-peak FIT rate of 12c/kWh and a shoulder FIT rate of 12c/kWh. The FIT rate was calculated by allocating the peak FIT rate for 3 months and the off-peak rate for 9 months.

CHART 40 | Annual bills including discounts and FIT credits for Melbourne/Citipower customers with 3 kW and 1.5 kW solar systems. Electricity offers in January 2021 as annual bills, Single rate, 4,800 kWh (incl. GST).⁶⁰

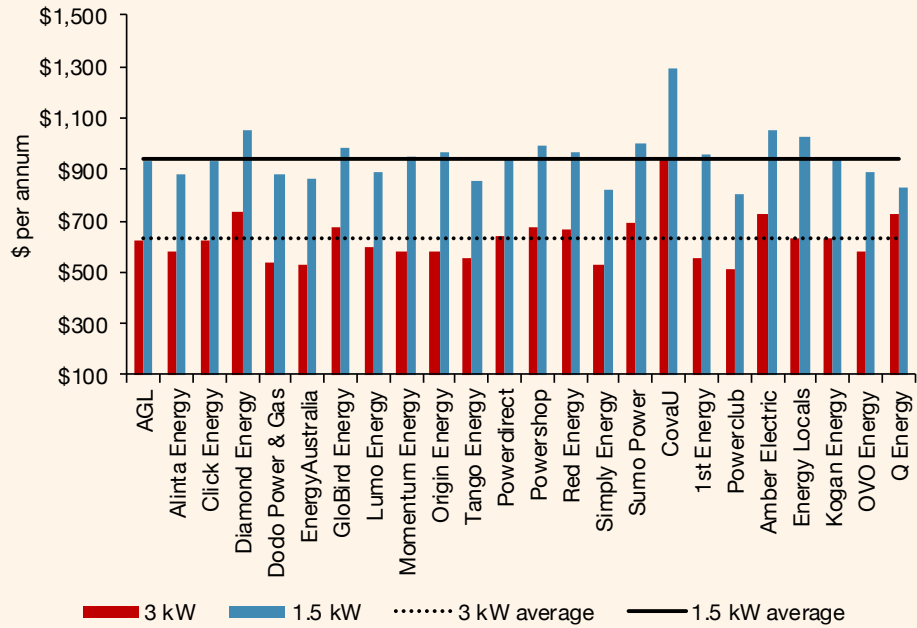


Chart 41 below shows annual bills for Melbourne solar customers in the Jemena network. It shows that for this consumption level, the average market offer bill for households in this area with a 3kW system installed is around \$650 and that is around \$790 less than the average market offer bill for non-solar customers (see chart 16 in section 2.1.1 above). Households with a 1.5 kW system installed will have an annual bill of \$975.

CHART 41 | Annual bills including discounts and FIT credits for Melbourne/Jemena customers with 3 kW and 1.5 kW solar systems. Electricity offers in January 2021 as annual bills, Single rate, 4,800 kWh (incl. GST).⁶¹

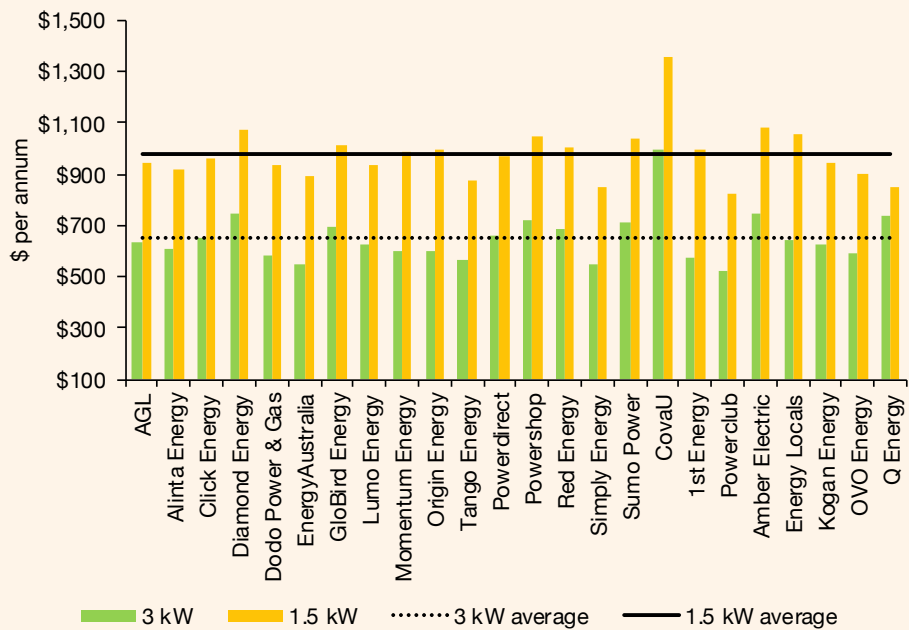
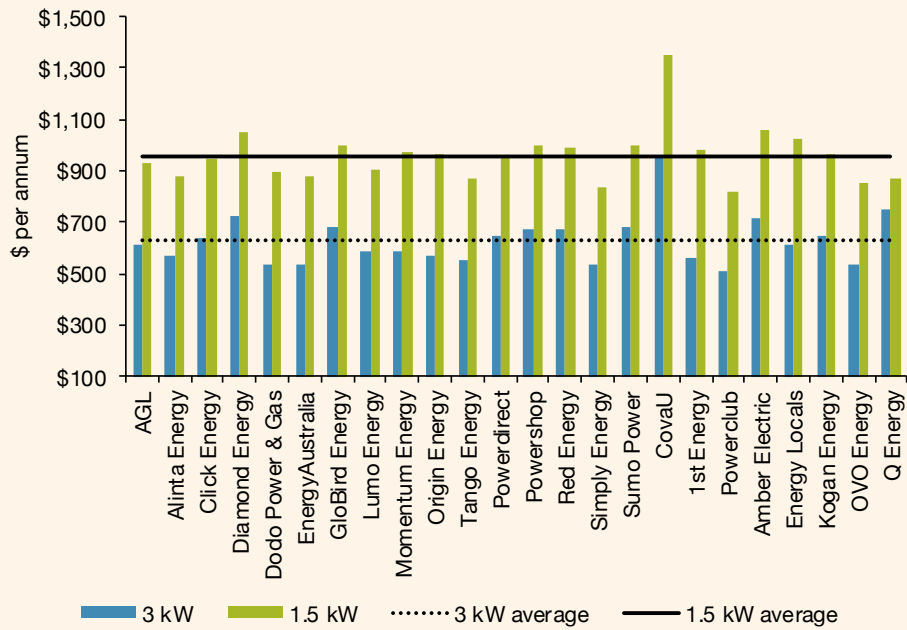


Chart 42 below shows annual bills for Melbourne solar customers in the United Energy network. It shows that for this consumption level, the average market offer bill for households in this area with a 3kW system installed is \$630 and that is \$810 less than the average market offer bill for non-solar customers (see chart 17 in section 2.1.1 above). Households with a 1.5 kW system installed will have an annual bill of around \$960.

⁶⁰ Bill calculations include guaranteed and pay on time discounts off usage and/or bill.

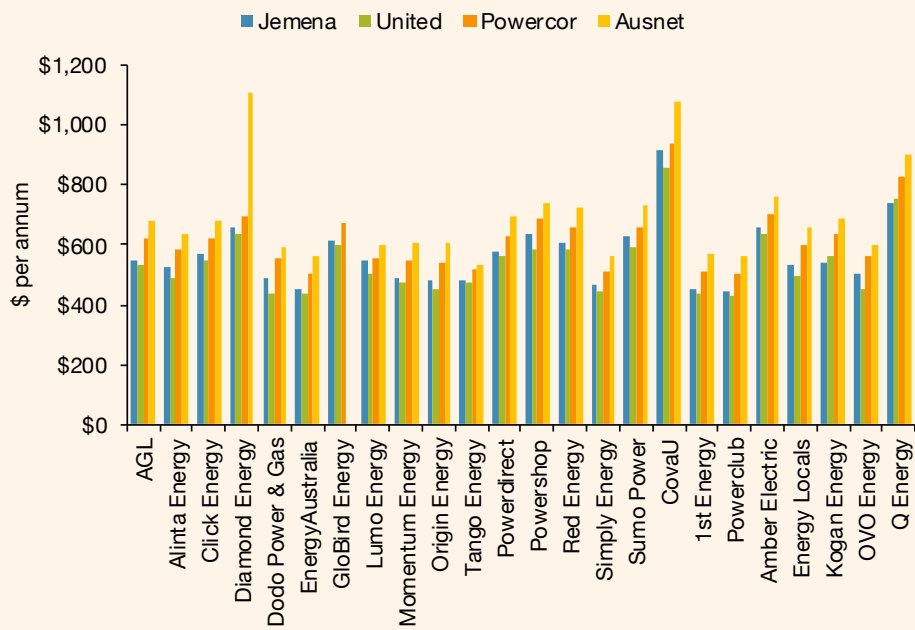
⁶¹ *Ibid.*

CHART 42 | Annual bills including discounts and FIT credits for Melbourne/United Energy customers with 3 kW and 1.5 kW solar systems. Electricity offers in January 2021 as annual bills, Single rate, 4,800 kWh (incl. GST).⁶²



Homes outside Melbourne’s metropolitan area will typically have less overshadowing and therefore a higher generation capacity and export rate. Chart 43 compares annual retail bills for non-metropolitan solar customers with 3 kW systems in four network areas (Jemena, United, Powercor and Ausnet). It shows that the average annual bill for non-metropolitan solar customers with this consumption level is approximately \$570 in Jemena, \$540 in United, \$620 in Powercor and \$690 in Ausnet. The average annual bill is \$850 to \$940 lower than the annual bill for non-solar customers (see section 2.1.1 above for non-solar customers).

CHART 43 | Annual bills including discounts and FIT credits for non-metropolitan customers in Jemena, United Energy, Powercor and Ausnet with 3 kW solar systems. Electricity offers in January 2021 as annual bills, Single rate, 4,800 kWh (incl. GST).⁶³



Figures 14 - 18 below show estimated annual bills for solar market offers including FIT and discounts for Melbourne customers in Citipower, Jemena and United Energy’s networks and

⁶² Ibid.
⁶³ Ibid.

non-metropolitan customers in the Powercor and Ausnet networks (all based on 3 kW systems).⁶⁴ The maximum price-spread is around \$575 in Ausnet, \$475 in Jemena, \$440 in Powercor, \$440 in United Energy and \$425 in Citipower.

FIGURE 14 | Lowest to highest annual bills for solar market offers (inc GST) in Citipower network




























	Powerclub	\$516
	Simply Energy	\$527
	EnergyAustralia	\$529
	Dodo Power & Gas	\$540
	1st Energy	\$553
	Tango Energy	\$554
	Momentum Energy	\$577
	Alinta Energy	\$581
	OVO Energy	\$581
	Origin Energy	\$582
	Lumo Energy	\$595
	AGL	\$628
	Click Energy	\$628
	EnergyLocals	\$631
	Kogan Energy	\$633
	Powerdirect	\$637
	Red Energy	\$665
	GloBird Energy	\$674
	Powershop	\$677
	Sumo Power	\$689
	Amber Electric	\$726
	Q Energy	\$729
	Diamond Energy	\$736
	CovaU	\$941

FIGURE 15 | Lowest to highest annual bills for solar market offers (inc GST) in Jemena network

	Powerclub	\$525
	Simply Energy	\$547
	EnergyAustralia	\$551
	Tango Energy	\$566
	1st Energy	\$577
	Dodo Power & Gas	\$585
	OVO Energy	\$590
	Origin Energy	\$598
	Momentum Energy	\$602
	Alinta Energy	\$608
	Kogan Energy	\$625
	Lumo Energy	\$628
	AGL	\$632
	EnergyLocals	\$647
	Click Energy	\$651
	Powerdirect	\$661
	Red Energy	\$689
	GloBird Energy	\$698
	Sumo Power	\$715
	Powershop	\$718
	Q Energy	\$737
	Amber Electric	\$742
	Diamond Energy	\$743
	CovaU	\$998

FIGURE 16 | Lowest to highest annual bills for solar market offers (inc GST) in United Energy network


	Powerclub	\$510
	Simply Energy	\$532
	OVO Energy	\$535
	EnergyAustralia	\$535
	Dodo Power & Gas	\$539
	Tango Energy	\$554
	1st Energy	\$559
	Origin Energy	\$568
	Alinta Energy	\$570
	Momentum Energy	\$584
	Lumo Energy	\$589
	EnergyLocals	\$611
	AGL	\$616
	Click Energy	\$634
	Powerdirect	\$643
	Kogan Energy	\$645
	Red Energy	\$671
	Powershop	\$671
	Sumo Power	\$678
	GloBird Energy	\$681
	Amber Electric	\$717
	Diamond Energy	\$722
	Q Energy	\$752
	CovaU	\$953

⁶⁴ These bill estimates are based on rates that were collected from the retailers' websites between 12 January 2021 and 13 January 2021. Bill calculations include guaranteed discounts and pay on time discount but any additional discounts for customers choosing to pay by direct debit are not included. Annual consumption of 4,800kWh annum (including both produced and imported), single rate, and GST inclusive. Note that Tango Energy was formerly known as Pacific Hydro.

FIGURE 17 | Lowest to highest annual bills for solar market offers (inc GST) in Powercor network

	EnergyAustralia	\$504
	Powerclub	\$508
	1st Energy	\$510
	Simply Energy	\$512
	Tango Energy	\$516
	Origin Energy	\$539
	Momentum Energy	\$546
	Dodo Power & Gas	\$555
	Lumo Energy	\$557
	OVO Energy	\$560
	Alinta Energy	\$589
	EnergyLocals	\$603
	AGL	\$622
	Click Energy	\$622
	Powerdirect	\$632
	Kogan Energy	\$636
	Sumo Power	\$656
	Red Energy	\$662
	GloBird Energy	\$673
	Powershop	\$692
	Diamond Energy	\$697
	Amber Electric	\$707
	Q Energy	\$831
	CovaU	\$942

FIGURE 18 | Lowest to highest annual bills for solar market offers (inc GST) in Ausnet network

	Tango Energy	\$533
	Powerclub	\$559
	EnergyAustralia	\$561
	Simply Energy	\$565
	1st Energy	\$574
	Dodo Power & Gas	\$595
	Lumo Energy	\$599
	OVO Energy	\$599
	Origin Energy	\$605
	Momentum Energy	\$610
	Alinta Energy	\$637
	EnergyLocals	\$661
	AGL	\$683
	Click Energy	\$683
	Kogan Energy	\$687
	Powerdirect	\$693
	Red Energy	\$725
	Sumo Power	\$731
	Powershop	\$738
	Amber Electric	\$763
	Q Energy	\$904
	CovaU	\$1,078
	Diamond Energy	\$1,108

3. NETWORK CHARGES

This section examines changes to electricity network charges since 2009 and gas distribution charges since 2020.

3.1 Electricity network charges

Electricity bills are made up of several components, including generation (wholesale market) costs, network costs (distribution and transmission), “green schemes” and costs associated with other public policy initiatives, and retail costs. The Victorian electricity networks introduce new Network Use of System (NUOS) charges as of 1 January every year. These NUOS charges comprise Transmission Use of System (TUOS) and Distribution Use of System (DUOS). Both the regulator and the retailers amend the retail tariffs to reflect these underlying changes to the NUOS.⁶⁵

Chart 44 below shows annual NUOS charges from 2008 to 2021 and that the maximum difference to the NUOS (for this consumption level) is currently around \$200 per annum compared to \$100 in 2008. In January 2021, the NUOS decreased in all network areas. The greatest decrease was in the United Energy network (18%) and the smallest decrease was in Citipower (8%).

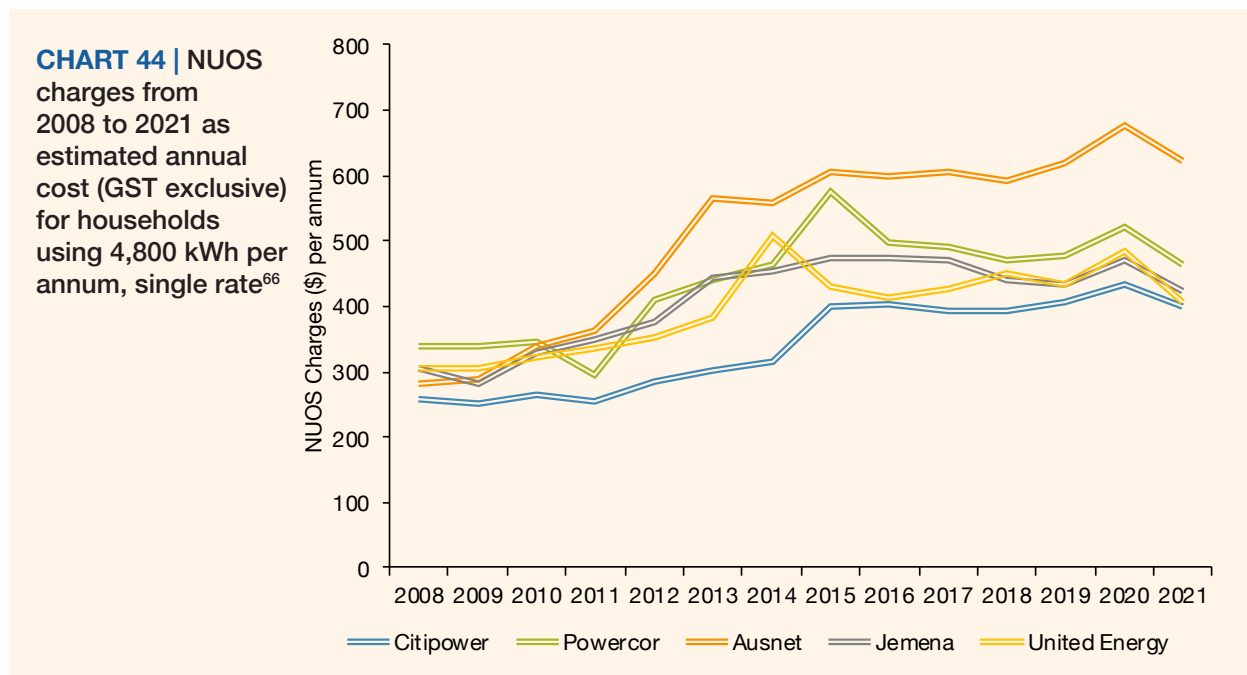
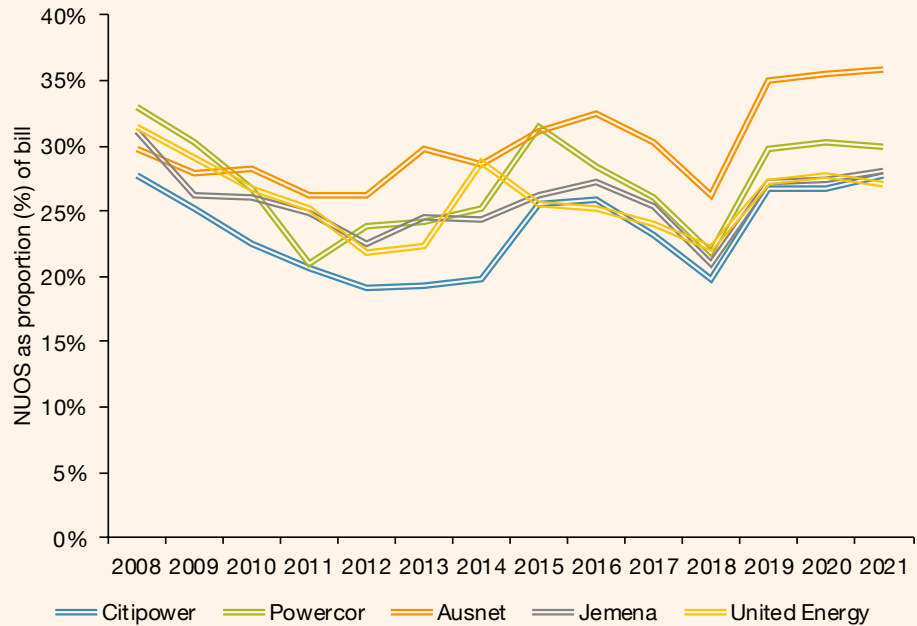


Chart 45 below looks at NUOS charges as a proportion of total bill. It is based on the incumbent retailers’ standing offers as of July/January every year and the VDO since July 2019. It shows that the NUOS proportion of electricity bills increased significantly with the introduction of the VDO.

⁶⁵ Note that NUOS charges do not include smart metering costs.

⁶⁶ The annual NUOS charges have been calculated by allocating 1,200kWh per quarter (again based on annual consumption of 4,800kWh) to the step charges stipulated in the NUOS. The annual NUOS cost also includes fixed charges. Note that as United Energy’s NUOS charge has been a seasonal tariff over the last four years, the United Energy consumption used in these calculations is thus based on a proportional allocation of a 5 month summer tariff and a 7 month non-summer (off-peak) rate.

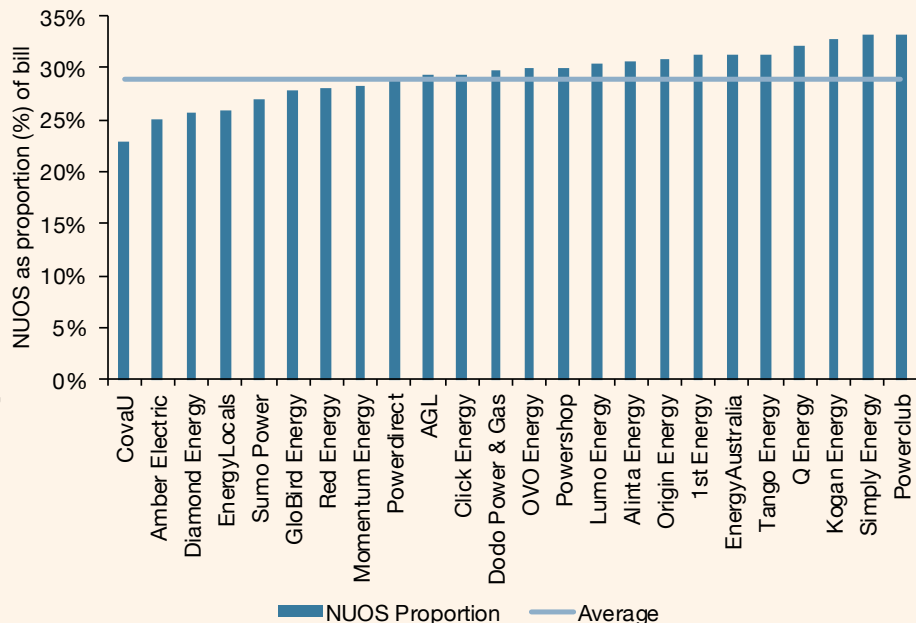
CHART 45 | NUOS charges (excl. GST) from July 2008 to January 2021 as proportion (%) of annual retail bill (incl. GST) for electricity regulated/standing offers/VDO, 4,800 kWh per annum, single rate⁶⁷



For market offers, the NUOS proportion varies significantly between retailers. On average (across all retailers' market offers), the NUOS proportion of the total bill is 38% in Ausnet, 31% in Powercor, 29% in Citipower, 30% in Jemena and 29% in United Energy.⁶⁸

Charts 46 – 50 below show the NUOS proportion of bills for market offers post January 2021 in each of the five network areas. It shows that bills from CovaU and Amber Electric consistently have the lowest NUOS proportion (at 22 to 34%) while Simply Energy's bill in the Ausnet network has the single highest NUOS proportion at 43%. See chart 48 below.

CHART 46 | Citipower network - NUOS charges (excl. GST) as proportion (%) of annual retail bill (incl. GST) for electricity market offers (including guaranteed and pay on time discounts) post January 2021, 4,800 kWh per annum, single rate



⁶⁷ The standing offer bill is based on the average incumbent (AGL, Origin and Energy Australia) standing offer as of July every year (VDO after July 2019). Note that as United Energy's NUOS charge has been a seasonal tariff over the last three years, the United Energy consumption used in these calculations is thus based on a proportional allocation of a 5 month summer tariff and a 7 month non-summer (off-peak) rate.

⁶⁸ Based on market offers inclusive of guaranteed and pay on time discounts, annual consumption of 4,800 kWh on the single rate tariff.

CHART 47 | Powercor network - NUOS charges (excl GST) as proportion (%) of annual retail bill (incl. GST) for electricity market offers (including guaranteed and pay on time discounts) post January 2021, 4,800 kWh per annum, single rate

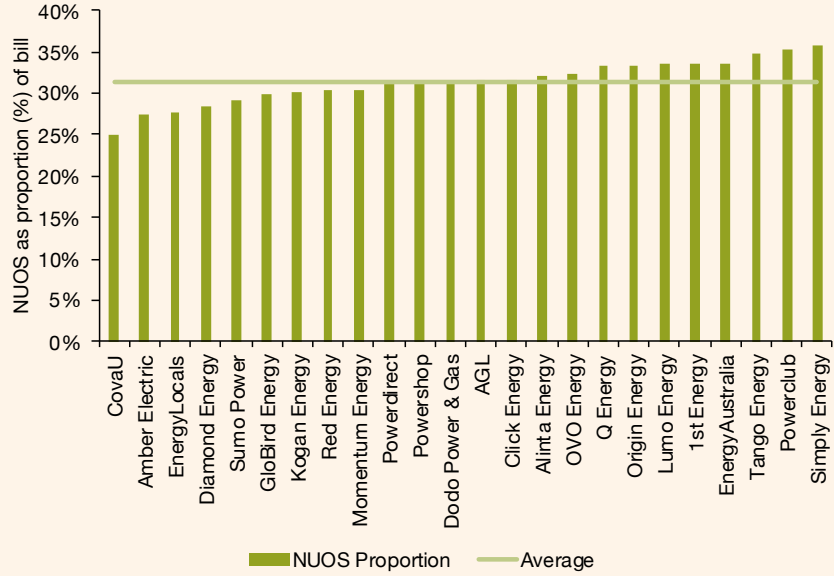


CHART 48 | Ausnet network - NUOS charges (excl GST) as proportion (%) of annual retail bill (incl. GST) for electricity market offers (including guaranteed and pay on time discounts) post January 2021, 4,800 kWh per annum, single rate

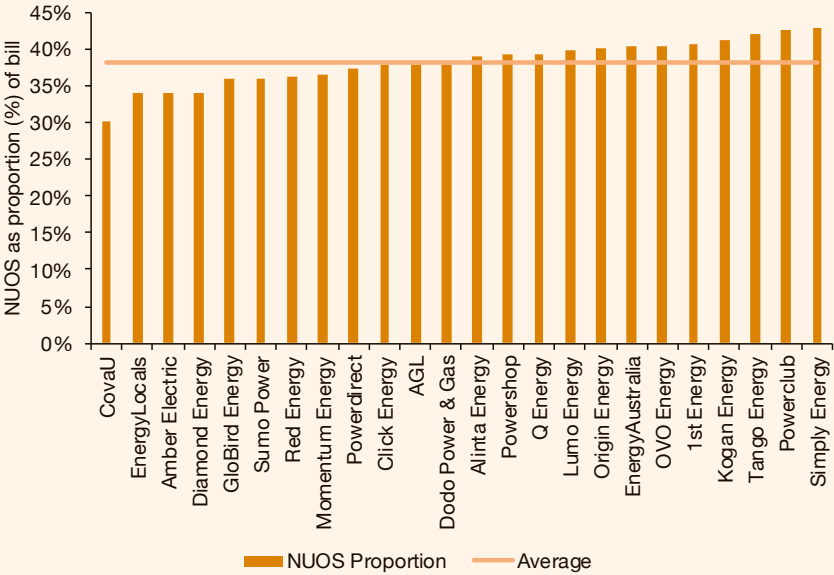


CHART 49 | Jemena network - NUOS charges (excl GST) as proportion (%) of annual retail bill (incl. GST) for electricity market offers (including guaranteed and pay on time discounts) post January 2021, 4,800 kWh per annum, single rate

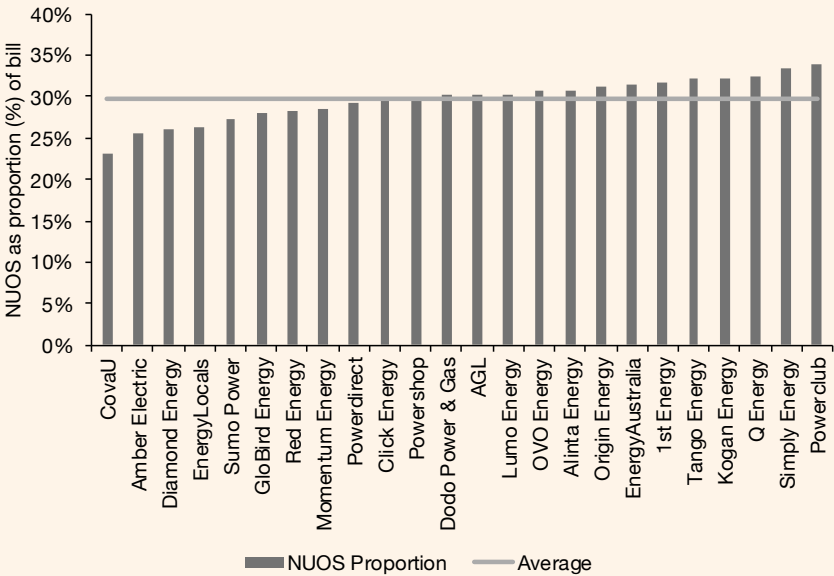
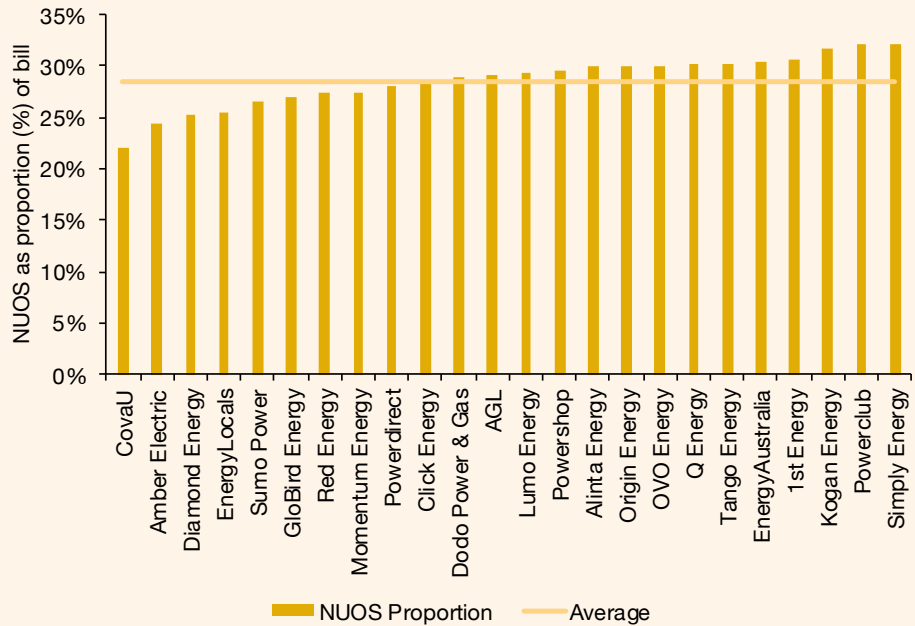


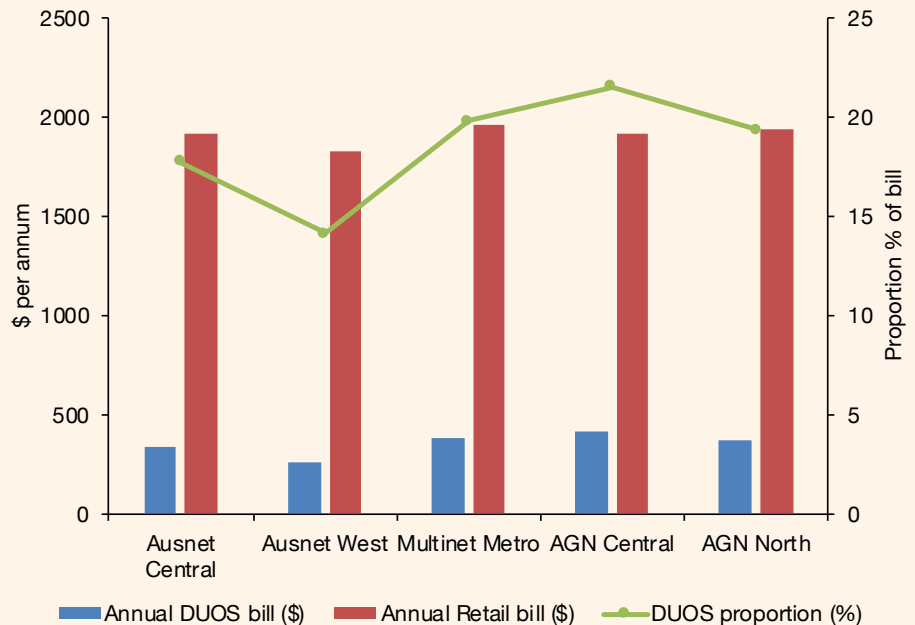
CHART 50 | United Energy network - NUOS charges (excl GST) as proportion (%) of annual retail bill (incl. GST) for electricity market offers (including guaranteed and pay on time discounts) post January 2021, 4,800 kWh per annum, single rate



3.2 Gas network charges

As for electricity, the Victorian gas distributors (AGN, Ausnet and Multinet), introduce new Distribution Use of System (DUOS) charges as of 1 January every year. A recent addition to the Tariff-Tracking project has been to analyse changes to gas DUOS charges. The current DUOS charge for households using 63,000 Mj is between \$260 and \$415 per annum. It is lowest in the Ausnet West gas zone and highest in the AGN Central gas zone. The DUOS proportion of gas retail bills is currently between 14 and 22%.⁶⁹

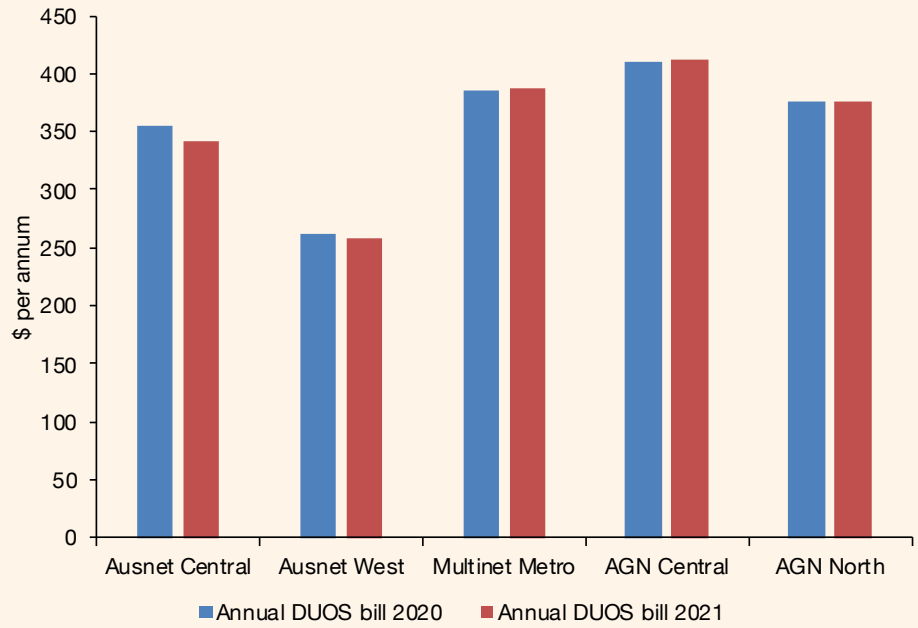
CHART 51 | Multinet, AGN and Ausnet gas networks - DUOS charges (excl GST), gas standing offer retail bills (incl. GST) and DUOS charges as proportion (%) of annual gas standing offer retail bill (incl. GST) as of January 2021, 63,000Mj per annum



Gas DUOS charges have remained mostly unchanged since 2020 except for in the Ausnet Central pricing zone where they decreased by 3.9%. Chart 52 below shows annual DUOS costs for each pricing zone in 2020 and 2021.

⁶⁹ Based on the incumbent retailers' (AGL, Energy Australia and Origin) average gas standing offer as of January 2021. Presented as annual bills for households using 63,000 MJ per annum

CHART 51 | DUOS charges in 2020 and 2021 as estimated annual cost (GST exclusive) for households using 63,000Mj per annum



4. COMPARING ALL MARKET OFFERS

This section compares all published electricity and gas market offers as of January 2021. As such it includes offers with various conditions such as direct debit payments, membership of sports clubs or frequent flyer programs, as well as others.⁷⁰

Twenty-five retailers offer 57 electricity market offers in the Citipower network. Chart 53 below shows these offers as annual bills inclusive of all discounts as well as additional incentives.⁷¹ It shows that the maximum difference to annual bills is approximately \$540 for this consumption level. In January 2020, the price spread was \$365 for this consumption level.

A household on CovaU's Smart Saver offer would pay around \$1,750 for 12 months of supply while a household on Powerclub's Powerbank Home offer would pay approximately \$1,210 over the same period. The average mean market offer bill is \$1,390. Whereas the price spread has significantly increase compared to January 2020, the average mean market offer bill has decreased. In January 2020, the average mean market offer bill was \$1,535.

Table 4 below outlines the conditions attached to these market offers as well as the type of discounts they offer.⁷² Sixteen of the 57 offers require payment by direct debit. Eleven of the offers have guaranteed (non-conditional) discounts while only four of the offers have conditional pay on time discounts. Monthly billing remains an increasingly common feature of market offers and forty-one of the offers in table 4 require customers to pay monthly instead of quarterly.

70 The standard analysis of market offers in the Tariff-Tracking reports do not include offers where the customer is required to pay by direct debit or be a member of a program/organisation. It also only includes one offer for each retailer.

71 All discounts (guaranteed, pay on time, direct debit, e-billing and dual fuel) have been included as per retail offer. Only incentives that can readily be given a monetary value (for the first 12 months of a contract) have been included. For example, the monetary value of earning frequent flyer points have not been included.

72 All additional incentives listed as monetary values have been included in the bill calculations.

CHART 53 | Electricity market offers in Citipower network as annual bills, 4,800 kWh/annum, single rate including all discounts and additional incentives, January 2021 (incl. GST)

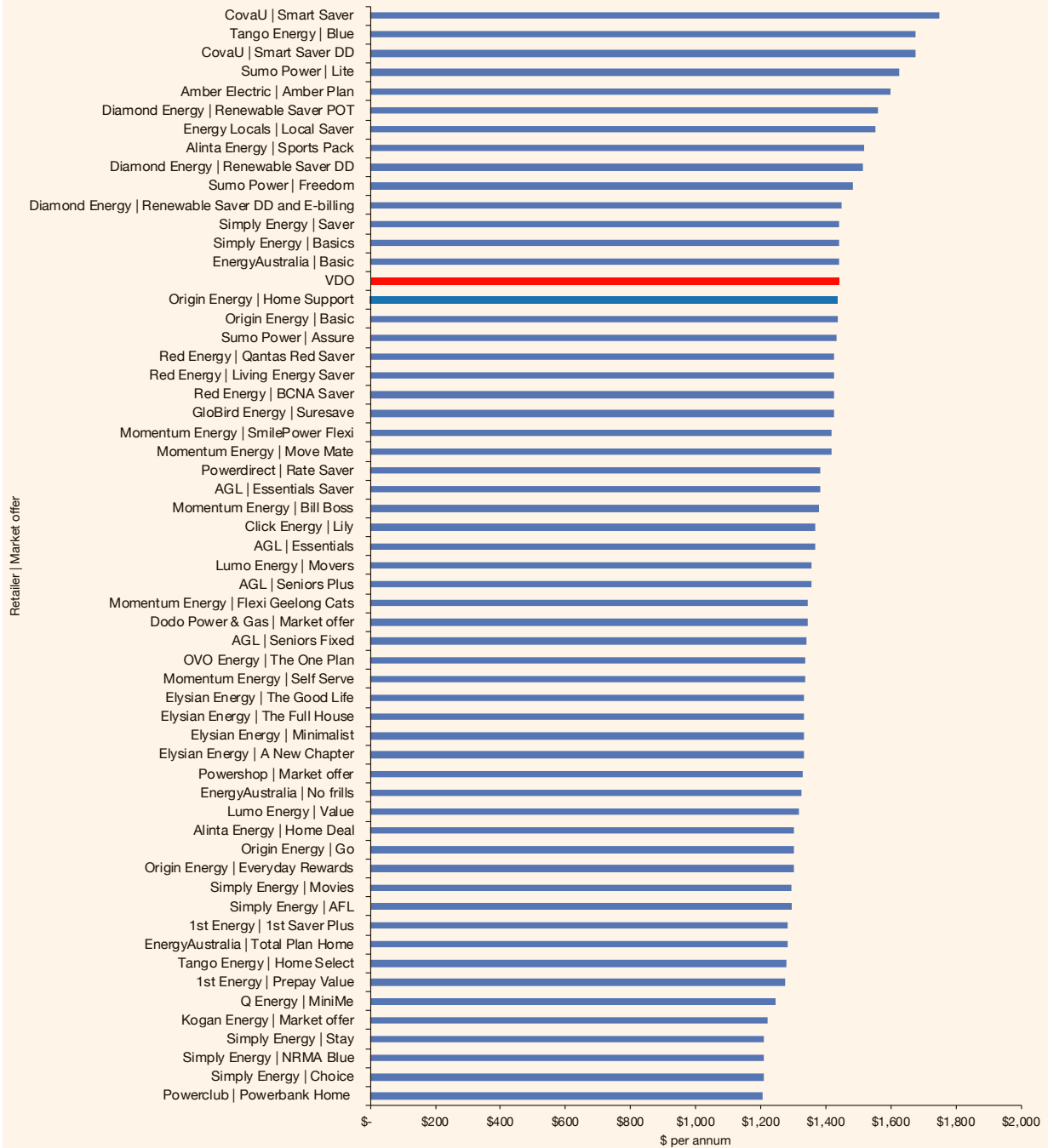


TABLE 5 | Conditions and features of electricity market offers in Citipower network, January 2021

Retailer	Offer	Bill	Direct Debit only	E-billing only	Monthly billing	Membership	Guaranteed discount	Pay-on-time discount	Direct debit discount	E-bill/online discount	Dual fuel discount	Fixed rates	Other incentives	Approx. incentive value (\$)
CovaU	Smart Saver	1,748			▶		✓	✗	✗	✗	✗	✗	✗	
Tango Energy	Blue	1,675			▶		✗	✗	✗	✗	✗	✓ (12 months)	✗	
CovaU	Smart Saver DD	1,674	▶		▶		✓	✗	✓	✗	✗	✗	✗	
Sumo Power	Lite	1,626			▶		✗	✗	✗	✗	✗	✓ (12 months)	✗	
Amber Electric	Amber Plan	1,600	▶		▶		✗	✗	✗	✗	✗	✗	✗	
Diamond Energy	Renewable Saver POT	1,561		▶			✗	✓	✗	✗	✗	✗	✗	
Energy Locals	Local Saver	1,551			▶		✗	✗	✗	✗	✗	✗	✗	
Alinta Energy	Sports Pack	1,518			▶		✗	✗	✗	✗	✗	✗	✗	
Diamond Energy	Renewable Saver DD	1,513	▶				✗	✓	✓	✗	✗	✗	✗	
Sumo Power	Freedom	1,483			▶		✗	✗	✗	✗	✗	✗	✗	
Diamond Energy	Renewable Saver DD and E-billing	1,448	▶	▶			✗	✓	✓	✓	✗	✗	✗	
Simply Energy	Saver	1,442			▶		✓	✗	✗	✗	✗	✗	✗	
EnergyAustralia	Basic	1,440					✗	✗	✗	✗	✗	✗	✗	
Simply Energy	Basics	1,440			▶		✗	✗	✗	✗	✗	✗	✗	
Origin Energy	Basic	1,439					✗	✗	✗	✗	✗	✗	✗	
Origin Energy	Home Support	1,439					✗	✗	✗	✗	✗	✗	✗	
Sumo Power	Assure	1,434	▶		▶		✗	✗	✗	✗	✗	✗	✗	
Red Energy	BCNA Saver	1,425			▶		✗	✗	✗	✗	✗	✗	✗	
Red Energy	Living Energy Saver	1,425			▶		✗	✗	✗	✗	✗	✗	✗	
Red Energy	Qantas Red Saver	1,425			▶	▶	✗	✗	✗	✗	✗	✗	✗	
GloBird Energy	Suresave	1,425			▶		✗	✗	✓	✗	✗	✗	✗	
Momentum Energy	Move Mate	1,417			▶		✗	✗	✗	✗	✗	✗	✗	
Momentum Energy	SmilePower Flexi	1,417			▶		✗	✗	✗	✗	✗	✗	✗	
AGL	Essentials Saver	1,382			▶		✗	✗	✗	✗	✗	✗	✗	
Powerdirect	Rate Saver	1,382					✗	✗	✗	✗	✗	✓ (12 months)	✗	
Momentum Energy	Bill Boss	1,378			▶		✗	✗	✗	✗	✗	✗	✗	
AGL	Essentials	1,368					✗	✗	✗	✗	✗	✓ (12 months)	✗	
Click Energy	Lily	1,368			▶		✗	✗	✗	✗	✗	✗	✗	
Lumo Energy	Movers	1,355			▶		✗	✗	✗	✗	✗	✗	✗	
AGL	Seniors Plus	1,354			▶	▶	✗	✗	✗	✗	✗	✗	✓	\$25
Momentum Energy	Flexi Geelong Cats	1,346	▶		▶	▶	✗	✗	✗	✗	✗	✗	✗	
Dodo Power & Gas	Market offer	1,344			▶		✗	✗	✗	✗	✗	✗	✗	
AGL	Seniors Fixed	1,340			▶	▶	✗	✗	✗	✗	✗	✓ (12 months)	✓	\$25

Retailer	Offer	Bill	Direct Debit only	E-billing only	Monthly billing	Membership	Guaranteed discount	Pay-on-time discount	Direct debit discount	E-bill/online discount	Dual fuel discount	Fixed rates	Other incentives	Approx. incentive value (\$)
OVO Energy	The One Plan	1,338	✔		✔		✘	✘	✘	✘	✘	✔ (12 months)	✘	
Momentum Energy	Self Serve	1,336	✔		✔		✘	✘	✘	✘	✘	✘	✘	
Elysian Energy	A New Chapter	1,332	✔				✘	✘	✘	✘	✘	✘	✘	
Elysian Energy	Minimalist	1,332	✔				✘	✘	✘	✘	✘	✘	✘	
Elysian Energy	The Full House	1,332	✔				✘	✘	✘	✘	✘	✘	✘	
Elysian Energy	The Good Life	1,332	✔				✘	✘	✘	✘	✘	✘	✘	
Powershop	Market offer	1,331	✔		✔		✘	✘	✘	✘	✘	✘	✘	
EnergyAustralia	No frills	1,327					✘	✘	✘	✘	✘	✔ (12 months)	✘	
Lumo Energy	Value	1,318			✔		✘	✘	✘	✘	✘	✔ (until 31/3/22)	✘	
Alinta Energy	Home Deal	1,303			✔		✘	✘	✘	✘	✘	✘	✘	
Origin Energy	Everyday Rewards	1,301				✔	✘	✘	✘	✘	✘	✔ (12 months)	✘	
Origin Energy	Go	1,301					✘	✘	✘	✘	✘	✔ (12 months)	✘	
Simply Energy	Movies	1,296			✔		✔	✘	✘	✘	✘	✘	✘	
Simply Energy	AFL	1,293			✔		✔	✘	✘	✘	✘	✘	✔	\$150
1st Energy	1st Saver Plus	1,284	✔		✔		✔	✔	✘	✘	✘	✘	✘	
EnergyAustralia	Total Plan Home	1,281					✔	✘	✘	✘	✘	✔ (12 months)	✘	
Tango Energy	Home Select	1,281			✔		✘	✘	✘	✘	✘	✘	✘	
1st Energy	Prepay Value	1,274			✔		✔	✘	✘	✘	✘	✘	✘	
Q Energy	MiniMe	1,246					✘	✘	✘	✘	✘	✘	✘	
Kogan Energy	Market offer	1,222	✔		✔		✘	✘	✘	✘	✘	✘	✘	
Simply Energy	Choice	1,209			✔	✔	✔	✘	✘	✘	✘	✘	✘	
Simply Energy	NRMA Blue	1,209			✔	✔	✔	✘	✘	✘	✘	✘	✘	
Simply Energy	Stay	1,209			✔		✔	✘	✘	✘	✘	✘	✘	
Powerclub	Powerbank Home	1,207	✔		✔		✘	✘	✘	✘	✘	✘	✘	

In relation to gas, seventeen retailers offer 44 gas market offers in the Multinet 1/Origin central gas zone. Chart 54 below shows these offers as annual bills inclusive of all discounts as well as additional incentives.⁷³ It shows that the maximum difference to annual bills is approximately \$800 for this consumption level, whereas the maximum price spread was of \$630 in January 2020. A household on Tango Energy's Home Select offer would pay around \$1,300 for 12 months of supply while a household on Energy Australia's Basic would pay \$2,090 over a 12-month period. The average mean market offer bill is around \$1,500, less than in January 2020 (\$1,540). Table 5 below outlines the conditions attached to these market offers as well as the type of discounts they offer.⁷⁴ Ten of the 44 offers require payment by direct debit, only six of the offers have guaranteed (non-conditional) discounts while four of the offers have a conditional pay on time discount.

73 All discounts (guaranteed, pay on time, direct debit, e-billing and dual fuel) have been included as per retail offer. Only incentives that can readily be given a monetary value (for the first 12 months of a contract) have been included. For example, the monetary value of earning frequent flyer points have not been included.

74 All additional incentives listed as monetary values have been included in the bill calculations.

CHART 54 | Gas market offers in the Multinet 1 gas zone as annual bills, 63,000 Mj/annum including all discounts and additional incentives, January 2021

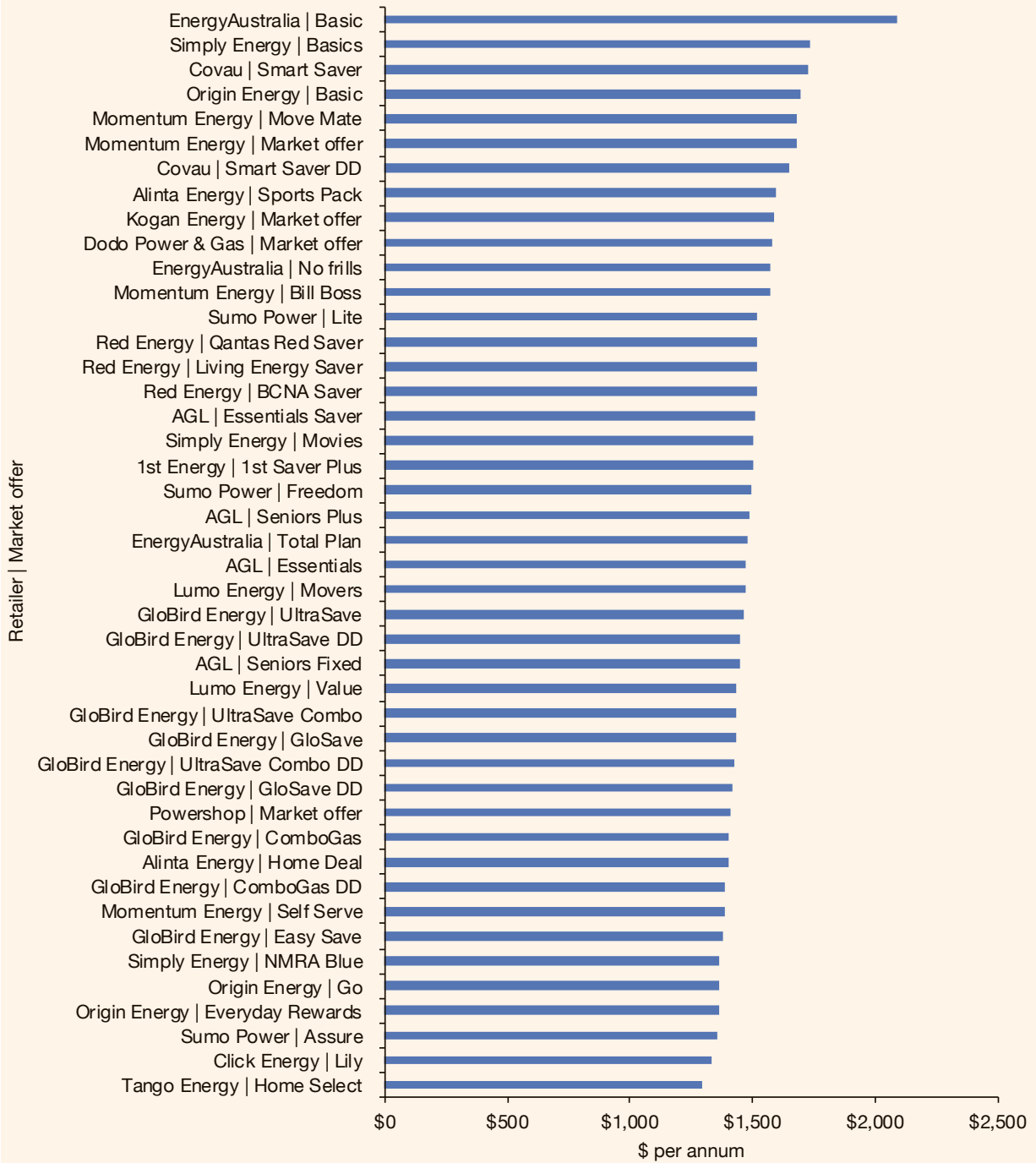


TABLE 6 | Conditions and features of gas market offers in Multinet 1/origin Metro gas zone, January

Retailer	Offer	Bill	Direct Debit only	E-billing only	Monthly billing	Membership	Guaranteed discount	Pay-on-time discount	Direct debit discount	E-bill/online discount	Dual fuel discount	Fixed rates	Other incentives	Approx. incentive value (\$)
EnergyAustralia	Basic	2,090					X	X	X	X	X	X	X	
Simply Energy	Basics	1,730					X	X	X	X	X	X	X	
CovaU	Smart Saver	1,724			▶		✓	X	X	X	X	X	X	
Origin Energy	Basic	1,697					X	X	X	X	X	X	X	
Momentum Energy	Market offer	1,677					X	X	X	X	X	X	X	
Momentum Energy	Move Mate	1,677					X	X	X	X	X	X	X	
CovaU	Smart Saver DD	1,649	▶		▶		✓	X	✓	X	X	X	X	
Alinta Energy	Sports Pack	1,592					X	X	X	X	X	X	X	
Kogan Energy	Market offer	1,584	▶				X	X	X	X	X	X	X	
Dodo Power & Gas	Market offer	1,579					X	X	X	X	X	X	X	
EnergyAustralia	No frills	1,570					X	X	X	X	X	✓ (12 months)	X	
Momentum Energy	Bill Boss	1,568		▶			X	X	X	X	X	X	X	
Sumo Power	Lite	1,518					X	X	X	X	X	X	X	
Red Energy	BCNA Saver	1,517					X	X	X	X	X	X	X	
Red Energy	Living Energy Saver	1,517					X	X	X	X	X	X	X	
Red Energy	Qantas Red Saver	1,517				▶	X	X	X	X	X	X	X	
AGL	Essentials Saver	1,512					X	X	X	X	X	X	X	
Simply Energy	Movies	1,505					✓	X	X	X	X	X	X	
1st Energy	1st Saver Plus	1,501			▶		✓	✓	X	X	X	X	X	
Sumo Power	Freedom	1,498					X	X	X	X	X	X	X	
AGL	Seniors Plus	1,484				▶	X	X	X	X	X	X	X	\$25
EnergyAustralia	Total Plan	1,480					✓	X	X	X	X	✓ (12 months)	X	
AGL	Essentials	1,473					X	X	X	X	X	✓ (12 months)	X	
Lumo Energy	Movers	1,473					X	X	X	X	X	X	X	
GloBird Energy	UltraSave	1,465					X	X	X	X	X	X	X	
GloBird Energy	UltraSave DD	1,451	▶				X	X	✓	X	X	X	X	
AGL	Seniors Fixed	1,445				▶	X	X	X	X	X	✓ (12 months)	X	\$25
Lumo Energy	Value	1,436					X	X	X	X	X	✓ (until 31/3/22)	X	
GloBird Energy	UltraSave Combo	1,436					X	X	X	X	X	X	X	
GloBird Energy	GloSave	1,433			▶		X	X	X	X	X	X	X	
GloBird Energy	UltraSave Combo DD	1,421	▶				X	✓	✓	X	X	X	X	
GloBird Energy	GloSave DD	1,419	▶		▶		X	X	✓	X	X	X	X	
Powershop	Market offer	1,409					X	X	X	X	X	X	X	

Retailer	Offer	Bill	Direct Debit only	E-billing only	Monthly billing	Membership	Guaranteed discount	Pay-on-time discount	Direct debit discount	E-bill/online discount	Dual fuel discount	Fixed rates	Other incentives	Approx. incentive value (\$)
GloBird Energy	ComboGas	1,404			▶		X	X	✓	X	X	X	X	
Alinta Energy	Home Deal	1,403					X	X	X	X	X	X	X	
GloBird Energy	ComboGas DD	1,390	▶		▶		X	✓	✓	X	X	X	X	
Momentum Energy	Self Serve	1,385	▶				X	X	X	X	X	X	X	
GloBird Energy	Easy Save	1,381	▶	▶	▶		X	X	X	X	X	X	X	
Simply Energy	NMRA Blue	1,367				▶	✓	X	X	X	X	X	X	
Origin Energy	Everyday Rewards	1,360				▶	X	X	X	X	X	✓ (12 months)	X	
Origin Energy	Go	1,360					X	X	X	X	X	✓ (12 months)	X	
Sumo Power	Assure	1,352	▶				X	X	X	X	X	X	X	
Click Energy	Lily	1,335			▶		X	X	X	X	X	X	X	
Tango Energy	Home Select	1,296					X	X	X	X	X	✓ (12 months)	X	

5. TOTAL COST OF ENERGY AND PRICE CHANGES BY AREA

As approximately 60% of Victorian households are connected to both electricity and gas, it is important to analyse whether there are areas that have experienced high increases in both electricity and gas prices, and conversely, whether there are areas where the increases in electricity and gas prices are at the lower end. Such analysis allows for a more detailed

understanding of the total energy costs faced by households across Victoria.⁷⁵ The analysis presented in this section shows that the VDO has significantly reduced bills for standing offer customers across Victoria.

TABLE 7 | Electricity VDO price changes (average) by area January 2020 to January 2021

Area	Annual bill change since January 2020		Percentage change	
Inner city and Eastern suburbs (Citipower)		-\$180		-11%
Outer Western suburbs and Western Victoria (Powercor)	-\$180	-\$250	-11%	-11%*
Outer Northern and Eastern suburbs and Eastern Victoria (SP Ausnet)	-\$170	-\$240*	-9%	-10%*
Inner West and Northern suburbs (Jemena)		-\$200		-12%
Outer South Eastern suburbs and Mornington Peninsula (United Energy)		-\$230		-13%

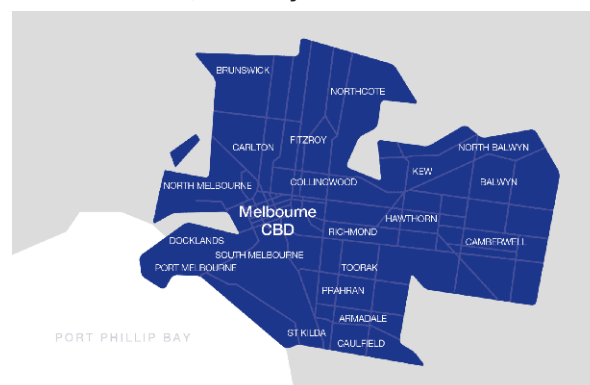
* For all-electric households with peak/off-peak (controlled load) rates

TABLE 8 | Gas standing offer price changes (average) by area from January 2020 to January 2021

Area	Annual bill change since January 2020	Percentage change
Eastern and South Eastern suburbs (Multinet 1/Origin Metro zone)	\$58	3.1%
Bayside and outer South Eastern suburbs (Multinet 2/AGL South zone)	\$46	2.5%
Northern and North Eastern Victoria (AGN North/Origin North zone)	\$49	2.6%
CBD, inner city and North Eastern suburbs (AGN Central 2/TRU East zone)	\$61	3.3%
Frankston, Mornington Peninsula and Gippsland (AGN Central 1/Origin South East zone)	\$43	2.3%
Macedon Ranges, Bendigo, Ballarat and Western Victoria (Ausnet West/TRU West zone)	\$81	4.6%
Western and North Western suburbs (Ausnet Central 2/AGL North zone)	\$91	4.9%
Outer Western suburbs, Geelong and Bellarine Peninsula (Ausnet Central 1/TRU Central zone)	\$69	3.7%

TABLE 9 | Average annual electricity bill by area. Based on the VDO, January 2021

⁷⁵ The figures in tables 6 - 9 are based on the incumbent retailers' average standing offer for electricity and gas customers for dual fuel households using 4800kWh and 63,000Mj per annum, and all-electric households using 7000kWh (thereof 30% off-peak). To calculate the increases we have used the average of the incumbent retailers' standing offer rates rather than the average of all standing offers. This was done because the vast majority of customers on the standing offer are with the incumbents (AGL, Origin and Energy Australia). Furthermore, as discussed above, market offers do generally reflect the increases to the standing offers.



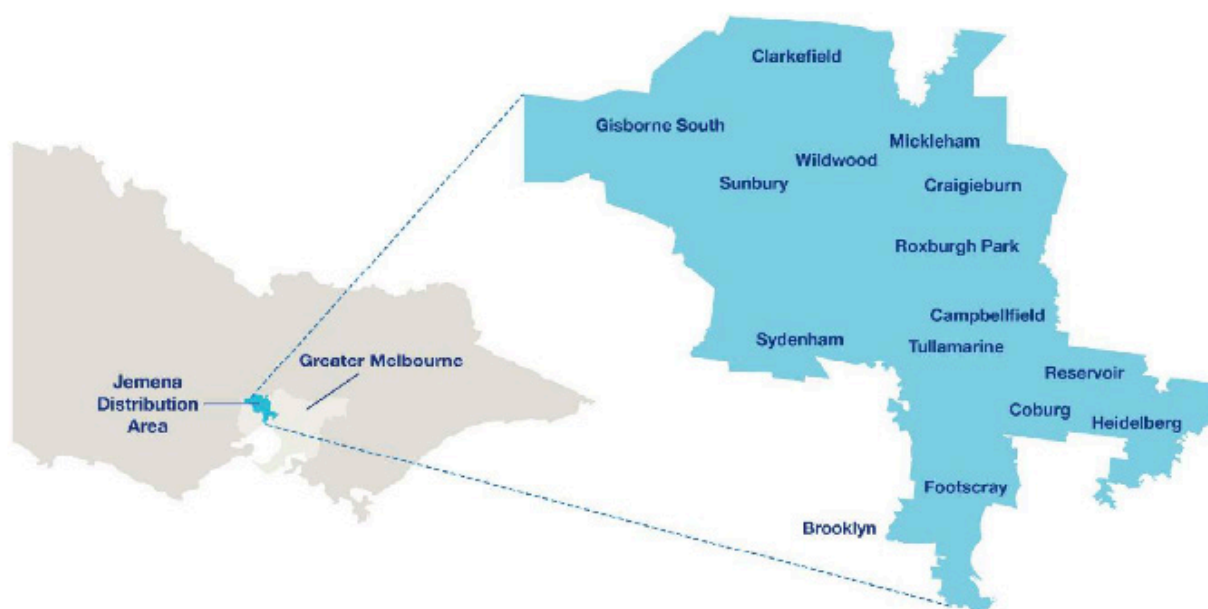
Source: Citipower

Area	Average annual bill	
Inner city and Eastern suburbs (Citipower)	\$1,440	
Outer Western suburbs and Western Victoria (Powercor)	\$1,926*	\$2,620*
Outer Northern and Eastern suburbs and Eastern Victoria (Ausnet)	\$2,167*	\$2,220*
Inner West and Northern suburbs (Jemena)	\$1,514	
Outer South Eastern suburbs and Mornington Peninsula (United Energy)	\$1,510	

* For all-electric households with peak/off-peak (controlled load) rates

TABLE 10 | Average annual gas bill by area. Based on standing offers January 2021

Area	Average annual bill
Eastern and South Eastern suburbs (Multinet 1/Origin Metro zone)	\$1,900
Bayside and outer South Eastern suburbs (Multinet 2/AGL South zone)	\$1,890
Northern and North Eastern Victoria (AGN North/Origin North zone)	\$1,940
CBD, inner city and North Eastern suburbs (AGN Central 2/TRU East zone)	\$1,920
Frankston, Mornington Peninsula and Gippsland (AGN Central 1/Origin South East zone)	\$1,920
Macedon Ranges, Bendigo, Ballarat and Western Victoria (Ausnet West/TRU West zone)	\$1,825
Western and North Western suburbs (Ausnet Central 2/AGL North zone)	\$1,945



Source: Jemena

Area	Average annual bill
Outer Western suburbs, Geelong and Bellarine Peninsula (Ausnet Central 1/TRU Central zone)	\$1,930

5.1 Inner city, inner North and Eastern suburbs

Dual fuel standing offer customers in Melbourne (CBD), Brunswick, Carlton, Fitzroy, Northcote, Richmond and Collingwood have the highest average annual combined energy bills in this area, at approximately \$3,360.

In this area, the VDO has decreased bills by \$180 for standing offer customers with an annual consumption of 4,800 kWh. Households in the AGN Central 2 gas zone (CBD and inner North) have experienced an increase in gas prices of approximately \$60 over the same period.



Source: United Energy

- Households with an average consumption of electricity and gas in Melbourne (CBD), Brunswick, Carlton, Fitzroy, Northcote, Richmond and Collingwood will typically receive a decrease in energy costs of \$120 compared to last year.⁷⁶
- Households with an average consumption of electricity and gas in the inner Eastern suburbs of Kew, Hawthorn, Camberwell and Balwyn, and the inner South East areas of South Yarra, Prahran, Armadale, Toorak and Caulfield, will typically receive a decrease in energy costs of \$120 compared to last year.⁷⁷
- Households with an average consumption of electricity and gas in the inner city bay side suburbs of St Kilda, Port Melbourne, Albert Park and South Melbourne will typically receive a decrease in energy costs of \$135 compared to last year⁷⁸

5.2 Inner West and North Western Suburbs



Source: Powercor

Dual fuel standing offer customers in the suburbs of Footscray, Yarraville, Williamstown, Flemington, Moonee Ponds, Broadmeadows, Coolaroo, Braybrook and Sydenham have the highest average annual combined energy bills in this area, at \$3,460.

In this area, the VDO has decreased bills by \$200 for standing offer customers with an annual consumption of 4,800 kWh. Households in the Ausnet Central 2 (Western and North Western suburbs) have experienced an increase in gas prices of approximately \$90 over the same period..

- Households with an average consumption of electricity and gas

⁷⁶ Citipower's electricity distribution network and the AGN Central 2/TRU East gas zone.

⁷⁷ Citipower's electricity distribution network and the Multinet 1/Origin Metro gas zone.

⁷⁸ Citipower's electricity distribution network and the Multinet 2/AGL South gas zone.

in Footscray, Yarraville, Williamstown, Flemington, Moonee Ponds, Broadmeadows, Coolaroo, Braybrook and Sydenham will typically receive a decrease in energy costs of \$110 compared to last year.⁷⁹

- Households with an average consumption of electricity and gas in Heidelberg, Fairfield, Ivanhoe, Bundoora, Thomastown, Preston, Reservoir will typically receive a decrease in energy costs of \$140 compared to last year.⁸⁰

5.3 South Eastern suburbs and Mornington Peninsula

Dual fuel standing offer customers in the suburbs of Seaford and Frankston and on the Mornington Peninsula have the highest average annual combined energy bills in this area, at approximately \$3,430.

In this area, the VDO has decreased bills by \$230 for standing offer customers with an annual consumption of 4,800 kWh. Households in the Multi 1 gas zone (Eastern suburbs) have experienced an increase in gas prices of close to \$60 over the same period

- Households with an average consumption of electricity and gas in the bayside suburbs of Elwood, Elsternwick, Brighton, Sandringham, Beaumaris, Chelsea and South Eastern Suburbs of Bentleigh, Moorabbin, Springvale, Noble Park, Keysborough will typically receive a decrease in energy costs of \$185 compared to last year.⁸¹



Source: Ausnet

- Households with an average consumption of electricity and gas in the suburbs of Seaford and Frankston and on the Mornington Peninsula will typically receive a decrease in energy costs of \$190 compared to last year.⁸²
- Households with an average consumption of electricity and gas in the Eastern suburbs of Bulleen, Templestowe, Box Hill, Doncaster, Mitcham, Vermont, Glen Waverly and Chadstone will typically receive a decrease in energy costs of \$175 compared to last year.⁸³

5.4 Outer Western suburbs and Western Victoria

Dual fuel standing offer customers in Northern Victorian towns such as Echuca, Shepparton and Heathcote have the highest average annual combined energy bills in this area, at approximately \$3,485. For all-electric households, the average annual energy bill is of \$1,926.

For all-electric households in this area, the VDO has decreased bills by \$250 for standing offer

⁷⁹ Jemena's electricity distribution network and the Ausnet Central 2/AGL North gas zone.

⁸⁰ Jemena's electricity distribution network and the AGN Central 2/TRU East gas zone.

⁸¹ United Energy's electricity distribution network and the Multinet 2/AGL South gas zone.

⁸² United Energy's electricity distribution network and the AGN Central 1/Origin South East gas zone.

⁸³ United Energy's electricity distribution network and the Multinet 1/Origin Metro gas zone.