

Media Release

The Hon Lily D'Ambrosio MP

Minister for Energy

Minister for the Environment and Climate Action

Minister for Solar Homes



Tuesday, 26 July 2022

BAN DELIVERS CHEAPER ENERGY AND MORE CHOICE

The Andrews Labor Government is making sure all Victorians can get the best deal on their energy, banning private power networks to deliver more choice for consumers and drive down household energy bills.

Embedded networks are private electricity networks that serve multiple customer premises in a building or self-contained site – preventing households from being able to source a potentially fairer deal. They are commonly used to supply power to consumers in apartment blocks, retirement villages, social housing, and caravan parks.

Minister for Energy Lily D'Ambrosio today announced embedded networks will be banned in new residential apartment buildings and existing networks will be reformed to ensure Victorians can access more competitive deals and save on their energy bills.

An expert panel, appointed by the Labor Government as part of an election commitment to improve consumer outcomes in the energy market panel, heard from hundreds of frustrated Victorians feeling 'trapped' in embedded networks.

The ban on embedded networks in new residential apartment buildings begins in January 2023, with limited exemptions for buildings that run on 100 per cent renewable energy to the benefit of their residents.

A second phase of the review process, which will involve further consultation with industry and consumer groups, will determine the details of a licensing regime that is intended to ensure greater choice and protections.

The reforms will mean the more than 140,000 Victorians living in residential embedded networks will benefit from increased consumer protections and greater access to competitive retail offers.

Since 2018, the Government has strengthened oversight of the energy sector, banned harmful sales practices, set an embedded networks price cap, expanded consumer protections, and enabled access to the Ombudsman's free dispute resolution services.

These measures have increased fairness, reduced market complexity and contributed to a fall in power bills.

Victorians on embedded networks can already access the Government's \$250 Power Saving Bonus, which has provided immediate bill relief to over one million households since 1 July.

For more information visit engage.vic.gov.au/embedded-networks-review.

Quotes attributable to Minister for Energy Lily D'Ambrosio

"We're banning embedded networks because all Victorians deserve to get the same competitive energy deals and have the same protections, driving down the cost of living when people need it most."

"We've already delivered energy market reforms, banned door-to-door sales and cold calling, and increased penalties for retailers who engage in dodgy behaviour. This is delivering a better deal for all Victorians."

Media contact: Lily King 0432 279 396 | lily.king@minstaff.vic.gov.au