

# Embedded networks fees and costs

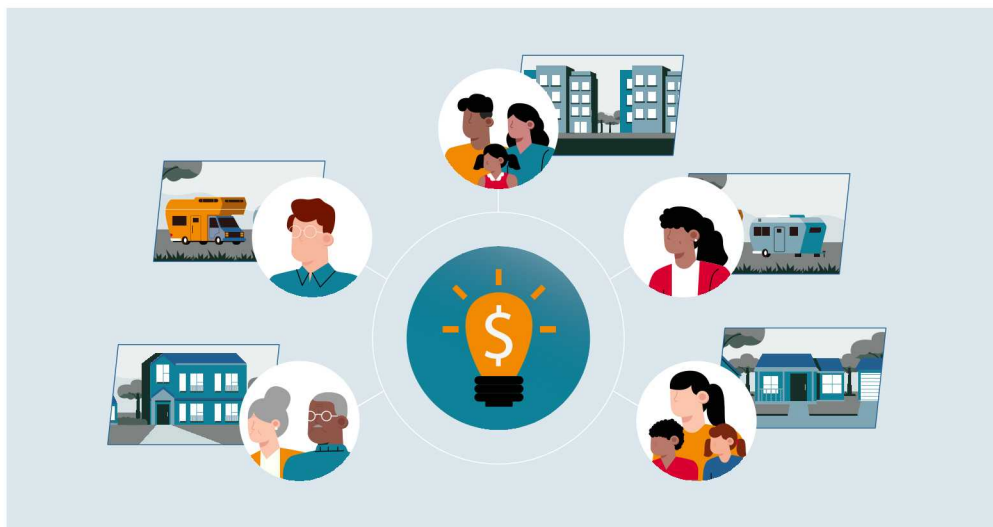
## Information for consumers



The **Victorian Default Offer** is the maximum price that can be charged for the supply or sale of electricity to all households and many businesses in embedded networks.

### Key information

- **Embedded networks** are privately owned and operated electricity networks. They supply electricity to multiple homes or businesses such as an apartment building, a retirement village, caravan park, marina, or shopping centre. The electrical wiring is designed to enable the owner of the site (for example, the landlord, body corporate, or caravan park owner) to sell energy to their residents.



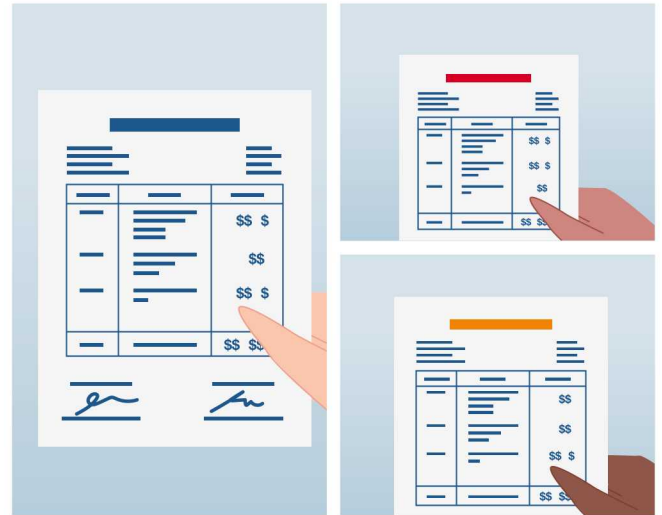
- The owner of a site with an embedded network buys energy from a licensed electricity retailer and then 'onsells' the energy to the different customers at the site. In these circumstances, the owner or another party may be exempt from the requirement to be licensed by the **Essential Services Commission** for the sale and supply of electricity.
- If you are a residential or small business customer who pays for electricity supplied through an embedded network, the amount you can be charged for this supply is capped. Since September 2020, the Victorian Default Offer has applied as the maximum price that embedded network on-sellers may charge most embedded network customers. This price is set annually by the Essential Services Commission, Victoria's independent energy regulator.
- The **Victorian Default Offer** provides Victorian consumers with access to a fair electricity deal even if they are unable or unwilling to engage in the retail market.

# Embedded networks fees and costs

## How much should I be charged for my electricity use?

When buying electricity from an embedded network on-seller:

- You must **not be charged above the Victorian Default Offer**. However, embedded network on-sellers can offer customers prices at or below the maximum price.
- You must be provided with **notice of any change** in the embedded network on-seller's tariffs and charges as soon as practicable (no later than your next bill).



## How does the Victorian Default Offer work?

- The Essential Services Commission sets the Victorian Default Offer each year after assessing the efficient costs retailers need to cover to provide electricity to Victorian customers.
- Because the cost of providing electricity differs across Victoria, the Victorian Default Offer that is relevant for you depends on your electricity distribution zone. If you're not sure which distribution zone you're in, you can look it up on your electricity bill or see the [Victorian Government's energy website](#).
- Once you have identified the distribution zone that you are in, visit the [commission's website](#), and find out what the current Victorian Default Offer prices are in your area. Cross-check these prices against your bill to ensure that you are not being charged more than the Victorian Default Offer price.

## How should I be billed?

Your embedded network manager must provide you with:

- A clear and transparent electricity bill at least once every three months (unless you agree to a different billing cycle), which includes the meter readings and the reading dates, and an explanation of how your charges are calculated.
- At least 13 business days to pay after the date the bill was issued.
- At least two payment methods to pay the bill (apart from direct debit).

## How does an estimated bill work?

Your embedded network on-seller must use their best endeavours to read your meter as frequently as is needed to prepare your electricity bill (at least once every 12 months). Your embedded network on-seller can use an estimated meter reading to calculate your electricity bill in certain circumstances, including where they cannot reasonably or reliably base the bill on an actual meter reading. If your bill is based on an estimated meter reading, this must be clearly stated on the bill.

If you are unable to resolve the issue with the embedded network on-seller, the Energy and Water Ombudsman (Victoria) can assist you to resolve the dispute.

## Energy and Water Ombudsman (Victoria)

**Phone:** 1800 500 509

**Email:** [ewovinfo@ewov.com.au](mailto:ewovinfo@ewov.com.au)

**Fax:** 1800 500 549 (free fax)

**Website and online complaint form:** [www.ewov.com.au](http://www.ewov.com.au)



## How do I get help with an incorrect bill?

If you think you are being charged incorrectly, talk to your embedded network on-seller first. There could be many causes for increased usage charges and a higher than expected bill.

For example:

- Changes to your electricity consumption.
- Outstanding (unpaid) amounts from previous bills.
- Issues with estimated bills.

## Essential Services Commission

The Essential Services Commission is an independent regulator that promotes the long-term interests of Victorian consumers with respect to the price, quality and reliability of essential services.

[www.esc.vic.gov.au](http://www.esc.vic.gov.au)



## Important notice

The information in this publication is to provide general guidance only. It does not constitute legal or other professional advice and should not be relied on as a statement of the law in any jurisdiction. While the commission has made every reasonable effort to provide current and accurate information, you should obtain professional advice if you have any specific concern, before relying on the accuracy, currency, or completeness of this information.

\*This fact sheet reflects the relevant information as at 30 June 2023.