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DMO is not an effective safety net for consumers

Please quote Dr Brendan French, CEO of Energy Consumers Australia

"We are disappointed to see that electricity prices are likely to go up again for households and small businesses.

"The DMO exists to protect people, particularly those in vulnerable circumstances, from paying disproportionately high electricity prices. It's not working effectively if it is priced up to 25% above more competitive offers. Nor is it effective if, as the ACCC found in its December report, more than half of all consumers on a market contract are paying a price even higher than the DMO.

"It is increasingly important to protect consumers in such a complex market, while also providing tools to help those who are interested in a more active relationship with the energy system, including owning Consumer Energy Resources and having a choice of tariffs.

"The AER is in a difficult spot because there is continued wholesale volatility and network costs keep going up. But we will continue to encourage the AER to do everything possible to ensure that networks are operating at lowest cost and also that the retail component of the DMO eliminates unnecessary marketing and other elements.

"The DMO is only one part of a wider consumer protection landscape that needs to evolve with the times. We welcome the broader reviews currently underway that we hope will consider, among other things, the role of the DMO in the future, and where additional protections may be needed.

For interview requests or more information, contact Stuart Turner on 0415 403 208 or email media@energyconsumersaustralia.com.au

About Energy Consumers Australia

<u>Energy Consumers Australia</u> is the independent, national voice for residential and small business energy consumers. We enable residential and small business energy consumers to have their voices heard.