

DMO Electricity price safety net

What is the Default Market Offer (DMO) price?

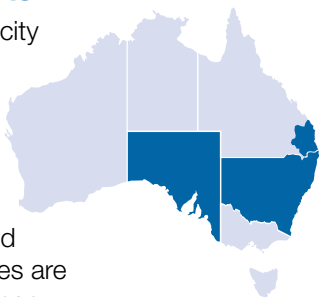
The DMO is an electricity price safety net that protects consumers from unjustifiably high prices. It is the maximum price an electricity company can charge customers on standard retail plans. It is set each year and won't change during that year. The DMO is not a "best offer" price and it may not be the best offer in your area. Electricity companies must compare their offers to the DMO price in their advertising so you can see how good their deal is.

Who does the DMO apply to?

Residential and business electricity consumers in NSW, SA and south-east QLD.

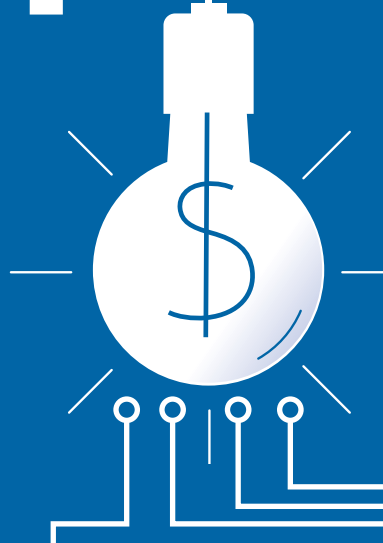
Most consumers in these areas have shopped around for offers with different prices.

Around **10%** of households and around **18%** of small businesses are on plans where the DMO price cap directly applies.



What does it mean for you?

A new DMO price comes automatically into effect on **1 July** each year and retailers adjust their offers. This may mean the price you pay changes.



How is it determined?

A number of factors influence the DMO price such as the cost retailers pay generators for electricity and to have it transported to Australian homes and businesses along poles and wires. The cost of complying with Government environmental schemes and the cost to serve customers are also taken into account. When input costs are higher the DMO price may increase.



Wholesale costs



Network costs



Environment costs



Retail costs

What do you need to do? If you are concerned about the price you're paying for electricity, there may be a better offer out there.



1. Find out what plan you're on



2. Contact your electricity company and ask if they have a better offer



3. Compare energy plans from different electricity companies by visiting

www.energymadeeasy.gov.au

