



Regulated Feed-In Tariff Rate Determination

Draft for consultation

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The Tasmanian Economic Regulator –

- (a) having conducted an investigation under Regulation 47B of the *Electricity Supply Industry (Pricing and Related Matters) Regulations 2013*; and
- (b) having considered the principles in section 44H of the *Electricity Supply Industry Act 1995*,

makes the following Determination under section 44G(1) of the *Electricity Supply Industry Act 1995*.

Dated: xx June 2022

Joe Dimasi
TASMANIAN ECONOMIC REGULATOR

PART 1 – PRELIMINARY

Commencement date, effective date and expiry date

1. In accordance with Regulation 47E(3) of the *Electricity Supply Industry (Pricing and Related Matters) Regulations 2013*, this Determination takes effect on 1 July 2022 and remains in effect until 30 June 2025.

Interpretation

2. (a) Words have the same meaning as defined in this determination. Expressions not defined in this determination have the same meaning as they have in the *Electricity Supply Industry (Pricing and Related Matters) Regulations 2013* and the *Electricity Supply Industry Act 1995*.

(b) In this Determination –

“2022 Standing Offer Determination (Aurora Energy)” means the Aurora Energy Pty Ltd Price-Regulated Retail Service Price Determination issued by the Regulator as amended from time to time;

“AEMO” means the Australian Energy Market Operator ABN 94 072 010 327;

“annual standing offer price approval process” means the process outlined in any guideline issued by the Regulator relating to the approval of standing offer prices under the 2022 Standing Offer Determination (Aurora Energy);

“Aurora Energy” means Aurora Energy Pty Ltd ABN 85 082 464 622 and its successors;

“authorised retailer” has the same meaning as it has in the *Electricity Supply Industry Act 1995*;

“c/kWh” means cents per kWh;

“DLF” means distribution loss factor;

“feed-in tariff customer” has the same meaning as it has in the *Electricity Supply Industry Act 1995*;

“feed-in tariff rate” has the same meaning as it has in the *Electricity Supply Industry Act 1995*;

“kWh” means a kilowatt hour, which is the amount of energy used at a constant rate of one kilowatt for one hour (one kilowatt-hour is equivalent to 1 000 watt hours);

“MLF” means marginal loss factor;

“relevant period” means each of the periods from 1 July 2022 to 30 June 2023, from 1 July 2023 to 30 June 2024 and from 1 July 2024 to 30 June 2025 as relevant;

“Regulator” has the same meaning as it has in the *Electricity Supply Industry Act 1995*;

“wholesale electricity price” has the same meaning as it has in the 2022 Standing Offer Determination (Aurora Energy).

PART 2 – REGULATED FEED-IN TARIFF RATE

Method for determining a feed-in tariff rate in relation to a kilowatt hour

3. The feed-in tariff rate to be paid by an authorised retailer to a feed-in tariff customer during the term of this Determination is to be calculated in accordance with the method outlined in clause 4.
4. The minimum feed-in tariff for the relevant period is to be calculated in accordance with the following formula:

$$FIT_y = (WEP_y \times MLF_y \times DLF_y) + (AEMO_y \times DLF_y)$$

Where:

FIT_y is the regulated feed-in tariff rate in c/kWh to be paid to feed-in tariff customers.

y is the relevant period.

WEP_y is the wholesale electricity price calculated by the Regulator in accordance with the 2022 Standing Offer Determination (Aurora Energy), during the annual standing offer price approval process, expressed in c/kWh.

MLF_y means the load weighted average marginal loss factor at the regional reference node for Tasmania for the relevant period as approved by the Regulator during the annual standing offer price approval process.

DLF_y means the load weighted average distribution loss factor for Tasmania for the relevant period as approved by the Regulator during the annual standing offer price approval process.

AEMO_y means the forecast charges, as billed by AEMO for market participation and ancillary services for each period that vary with the amount of wholesale electricity sold by authorised retailers, expressed in c/kWh. The Regulator will estimate AEMO charges for each period during the annual standing offer price approval process.

PART 3 – MISCELLANEOUS PROVISIONS

5. Any question arising from the interpretation of this Determination shall be decided by the Regulator.
 6. This Determination is administered by the Regulator.
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