

Notice of intention to conduct a Regulated Feed-in Tariff Rate pricing investigation

Electricity Supply Industry Act 1995

Electricity Supply Industry (Pricing and Related Matters) Regulations 2013

The *Electricity Supply Industry Act 1995* requires the Tasmanian Economic Regulator to make a feed-in tariff rate determination, which sets the rate to be paid by authorised retailers to standard feed-in tariff customers for energy exported to the electricity grid.

The determination will apply to a regulatory period that commences on 1 July 2019 and ends on 30 June 2021. The Final investigation report will be released, and the determination will be made, on or before 30 April 2019.

Before the Economic Regulator makes a determination, the *Electricity Supply Industry (Pricing and Related Matters) Regulations 2013* require the Economic Regulator to conduct a pricing investigation.

The objective of the pricing investigation is to gather information to assist the Economic Regulator in making a determination.

The Economic Regulator will publish a draft report and draft determination by mid-February 2019. Written submissions (preferably by email) on the draft report and draft determination can be made to the Economic Regulator during a consultation period ending in mid-March 2019.

In accordance with the matters the Economic Regulator is required to consider in determining the regulated feed-in tariff rate, submissions on the draft report and draft determination will be invited on issues including the following:

- (a) the fair and reasonable value to authorised retailers of electricity supplied to the distribution network by feed-in tariff customers;
- (b) the net financial benefit, to authorised retailers, of electricity supplied to the distribution network by feed-in tariff customers, having regard to the costs of authorised retailers, including, but not limited to including –
 - (i) the costs to authorised retailers of purchasing wholesale electricity; and
 - (ii) other costs of authorised retailers in operating their retail electricity businesses;
- (c) the other costs, or other benefits, that –
 - (i) include those related to the distribution networks or transmission networks; and
 - (ii) result, either directly or indirectly, from the supply of electricity to distribution networks by qualifying systems at premises of small customers;
- (d) the COAG National Principles for Feed-in Tariff Arrangements, as those Principles apply from time to time;
- (e) any arrangements of the Commonwealth, whether legislative or otherwise, in relation to the pricing of carbon emissions or other mechanisms to reduce the use of carbon-emitting fuels;
- (f) the principle that the feed-in tariff rate specified in the determination should not have the effect that any customer would effectively be cross-subsidising any other customer;
- (g) the possible introduction of a time-of-use feed-in tariff including consideration of costs and benefits; and
- (h) approaches, methodologies, findings or recommendations, taken or made in other jurisdictions for determining fair and reasonable feed-in tariff rates.

The Economic Regulator's draft report and draft determination will be available on the Economic Regulator's website: www.economicregulator.tas.gov.au.

For further information regarding this notice please contact:

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