



Ms Carmel Donnelly Chair Independent Pricing and Regulatory Tribunal Sydney NSW

Via online submission

Dear Ms Donnelly

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## Ausgrid submission to the draft report "Solar feed-in tariff benchmark range methodology"

Ausgrid is pleased to provide this submission to the Independent Pricing and Regulatory Tribunal (**IPART**) in response to its draft report on the solar feed-in tariff benchmark range methodology.

Ausgrid is the only distribution network in the National Electricity Market (**NEM**) that does not have a fixed export capacity limit for small scale solar installations. Almost 2 gigawatts of solar capacity has been installed in the Ausgrid network and we anticipate this will increase by 50% in the next three years. This growth in small scale solar is an ongoing success story and we want to ensure it continues to make a significant contribution to the energy transition.

In financial year 2026 (**FY2026**) Ausgrid will be the first distribution network in the NEM to introduce mandatory export pricing for residential and small business customers. This is an important step in accommodating more solar capacity in our network and ensuring that the way we recover our revenue is fair for all customers. On 1 July we will transfer more than 275,000 customers to our two-way export tariff. While paying 1.23 c/kWh to export between 10am and 3pm, these customers will benefit from:

- A reward component of 3.85 c/kWh (proposed) for all energy exported between 4pm and 9pm; and
- a 200 kWh per month<sup>2</sup> free allowance for energy exports between 10am and 3pm.

Based on historic data, our proposed FY26 two-way export prices will result in 51% of residential customers being better off, if passed through to a customer by their retailer. On February 14 we submitted our preliminary FY26 network prices to the Australian Energy Regulator. We anticipate that the AER will approve our final price proposal by late April 2025.

Please contact like to discuss this submission.	if you would
Regards	

<sup>&</sup>lt;sup>1</sup> Installations above 10kW may require a design assessment before being approved

<sup>&</sup>lt;sup>2</sup> The free threshold varies by the number of days in the monthly billing period