

Solar feed-in tariffs

Retailer contribution and benchmark range for
1 July 2014 to 30 June 2015

Electricity — Determination
June 2014



Independent Pricing and Regulatory Tribunal

Solar feed-in tariffs

Retailer contribution and benchmark range for
1 July 2014 to 30 June 2015

Determination No. 3, 2014

© Independent Pricing and Regulatory Tribunal of New South Wales 2014

This work is copyright. The *Copyright Act 1968* (Cth) permits fair dealing for study, research, news reporting, criticism and review. Selected passages, tables or diagrams may be reproduced for such purposes provided acknowledgement of the source is included.

ISBN 978-1-925193-17-6

Det14-03

The Tribunal members for this review are:

Dr Peter J Boxall AO, Chairman

Dr Paul Paterson

Ms Catherine Jones

Independent Pricing and Regulatory Tribunal of New South Wales

PO Box Q290, QVB Post Office NSW 1230

Level 8, 1 Market Street, Sydney NSW 2000

T (02) 9290 8400 F (02) 9290 2061

www.ipart.nsw.gov.au

Contents

Preliminary	1
1 Background	1
2 Application of this determination	1
3 Schedules	2
Schedule 1 Retailer Contribution and Benchmark Range	3
1 Application	3
2 Retailer Contribution	3
3 Benchmark Range	3
Schedule 2 Definitions and interpretation	4
1 Definitions	4
2 Interpretation	5
3 Clarification notice	6
4 Prices exclusive of GST	6

Preliminary

1 Background

- (a) Under section 43ECA of the *Electricity Supply Act 1995* (NSW) (**ESA**), the Minister may refer to the Independent Pricing and Regulatory Tribunal (**IPART**), for investigation and report, the determination of:
 - (1) the retailer benefit component payable by a Retailer to a customer under the Solar Bonus Scheme for Solar PV Exports (**Retailer Contribution**); and
 - (2) the benchmark range for feed-in tariffs paid by Retailer for Solar PV Exports (**Benchmark Range**)¹.
- (b) On 26 March 2014², IPART received a referral from the Minister for Resources and Energy to investigate and determine the Retailer Contribution and Benchmark Range on an ongoing annual basis (**Referral**).
- (c) In making its determination for the 2014/15 Year, IPART has had regard to:
 - (1) the financial benefit to Retailers as a result of the supply of electricity by customers under the Solar Bonus Scheme;
 - (2) the matters it is required to consider under the Referral; and
 - (3) the effect of the determination on competition in the retail electricity market,as required by section 43ECB of the ESA.

2 Application of this determination

- (a) This determination:
 - (1) is made pursuant to the Referral; and
 - (2) determines:
 - (A) the Retailer Contribution; and
 - (B) the Benchmark Range,for the 2014/15 Year.

¹ The Benchmark Range is not binding on Retailers. It is a voluntary range published by IPART to provide information to solar PV customers and Retailers.

² The Referral replaced the referral from the Minister for Resources and Energy dated 8 April 2013.

- (b) This determination commences on the later of:
 - (1) 1 July 2014; and
 - (2) the date that it is published in the NSW Government Gazette, (**Commencement Date**).

3 Schedules

- (a) Schedule 1 sets out the Retailer Contribution and the Benchmark Range for the 2014/15 Year.
- (b) Schedule 2 sets out the definitions and the interpretation provisions.

Schedule 1 Retailer Contribution and Benchmark Range

1 Application

This schedule sets out the Retailer Contribution and Benchmark Range for the 2014/15 Year.

2 Retailer Contribution

The Retailer Contribution for the 2014/15 Year is 5.1¢/kWh.

3 Benchmark Range

The Benchmark Range for the 2014/15 Year is 4.9¢/kWh to 9.3¢/kWh.

Schedule 2 Definitions and interpretation

1 Definitions

1.1 General provisions

In this determination:

2014/15 Year means the period from 1 July 2014 to 30 June 2015.

Benchmark Range has the meaning given in clause 1(a)(2) of the Preliminary section of this determination.

Commencement Date has the meaning given in clause 2(b) of the Preliminary section of this determination.

ESA has the meaning given in clause 1(a) of the Preliminary section of this determination, being the *Electricity Supply Act 1995* (NSW).

GST has the meaning given in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

IPART has the meaning given in clause 1(a) of the Preliminary section of this determination, being the Independent Pricing and Regulatory Tribunal of New South Wales established under the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW).

kWh means kilowatt hours.

National Energy Retail Law means the National Energy Retail Law set out in the schedule in the *National Energy Retail Law (South Australia) Act 2011* (SA), as amended and applied in New South Wales by the *National Energy Retail Law (Adoption) Act 2012* (NSW).

Referral has the meaning given in clause 1(b) of the Preliminary section of this determination.

Retailer has the meaning given in the National Energy Retail Law.

Retailer Contribution has the meaning given in clause 1(a)(1) of the Preliminary section of this determination.

Solar Bonus Scheme means the scheme established under section 15A of the ESA.

Solar PV Exports means electricity produced by a complying generator (as defined in section 15A of the ESA) and supplied to the distribution network by a customer under the Solar Bonus Scheme.

Taxable Supply has the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

2 Interpretation

In this determination:

- (a) headings are for convenience only and do not affect the interpretation of this determination;
- (b) a reference to a schedule, annexure, clause or table is a reference to a schedule or annexure to, clause of, or table in, this determination unless otherwise indicated;
- (c) words importing the singular include the plural and vice versa;
- (d) a reference to a law or statute includes regulations, rules, codes and other instruments under it and consolidations, amendments, re-enactments or replacements of them;
- (e) where provisions of legislation referred to in this determination are renumbered, a reference to a legislative provision extends to the corresponding re-numbered provision of the legislation;
- (f) where a word is defined, other grammatical forms of that word have a corresponding meaning;
- (g) a reference to a day is to a calendar day;
- (h) a reference to a person:
 - (1) includes any company, partnership, joint venture, association, corporation, other body corporate or government agency; and
 - (2) includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation), replacements and assigns; and
- (i) a reference to an officer includes a reference to the officer which replaces it or which substantially succeeds to its powers or functions; and
- (j) a reference to a body, whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,
 is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

3 Clarification notice

IPART may publish a clarification notice in the NSW Government Gazette to correct any manifest error in this determination. Such a clarification notice is taken to form part of this determination.

4 Prices exclusive of GST

Prices or charges specified in this determination do not include GST. A Retailer may charge customers an additional amount equal to GST payable by the Retailer in respect of any Taxable Supply to which the amounts relate.