

SUBMISSION TO IPART REVIEW
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We are with Origin Energy for electricity and pay approximately 22.5 cents per unit (incl GST and contract discount). We currently receive 6.0 cents per unit for net solar electricity exported. The huge difference (16.5 cents) must represent the retailer's profit plus administration costs on our exported electricity. I would expect that network operating costs are, or should be, covered by the fixed supply charge of about \$1.50 per day (incl GST). This seems an extraordinarily high margin and indicates to me that the diversification in the retail sector is simply not providing the claimed benefits of competition.

Rooftop solar PV electricity should be accredited as green energy, for which Origin and other retailers offer as an option to consumers for a higher price. Therefore, the profit margin on our exported electricity is even higher than indicated above. This is simply unfair on consumers.

As with electricity supply, PV export comprises a large number of small customers dealing with a small number of large, profit-focussed retailers. Customers have no leverage in negotiation, and advice to shop around is of little practical benefit, as all retail prices are pretty much the same. There is an uneven playing field here, hence the need to continue to regulate supply prices. For the same reason, solar PV electricity prices should also be regulated. Preferably they should be tied to the supply price the customer is charged for imported electricity.

As the community moves towards more sustainable energy distribution, a longer term view should be taken, with pricing set so as to provide the right signals to all consumers as well as large and small scale generators. With falling prices for battery storage, it is becoming more viable for some consumers to disconnect from the grid altogether. This is an undesirable outcome for the community, as we should be sharing resources to the benefit of all.

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