



Don Harwin MLC

Minister for Resources, Minister for Energy and Utilities,
Minister for the Arts, Vice-President of the Executive Council

V16/1991#20
OUT17/15883

Dr Peter Boxall AO
Chairman
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230

Dear Dr Boxall

I write to the Tribunal with regard to the voluntary benchmark range for solar feed-in tariffs paid by retailers for electricity exported from a complying generator to the distribution network.

Pursuant to section 234B of the National Energy Retail Law (NSW) the Tribunal as Market Monitor is requested to carry out a special review and to provide a report in accordance with the attached Terms of Reference.

In developing the Terms of Reference I have given consideration to customer and industry feedback which suggest that it is a priority to update the current benchmark in line with changes in wholesale electricity prices.

The Terms of Reference therefore focus on using existing approaches so that guidance can be provided to consumers by early June 2017.

If you require further information please contact Mr Dominic Kelly, Senior Policy Advisor, in my office on 02 8574 7224.

Yours sincerely

Don Harwin MLC
Minister for Resources,
Minister for Energy and Utilities,
Minister for the Arts,
Vice-President of the Executive Council

Encl.

TERMS OF REFERENCE

Special review to recommend a voluntary benchmark range for solar feed-in tariffs

1 Request to IPART under section 234B of the National Energy Retail (NSW)

I, Donald Harwin, Minister for Resources, Energy and Utilities and Arts, request under section 234B of the National Energy Retail Law (NSW) the Tribunal as Market Monitor to carry out a special review and to report on:

"The voluntary benchmark range for solar feed-in tariffs paid by retailers for electricity produced by complying generators and supplied to the distribution network (the voluntary benchmark range)."

2 Conduct of special review

In carrying out this special review the Tribunal is to consider the following matters:

- a) there should be no resulting increase in retail electricity prices;
- b) the voluntary benchmark range should operate in such a way as to support a competitive retail electricity market in NSW.

3 Reporting

The Tribunal is to report the feed-in tariff offered by each retailer at the time of writing its report and to note whether that tariff was within the benchmark for the preceding financial year.

4 Consultation

In preparing its report on the voluntary benchmark range, the Tribunal may consult on any matter that it regards as material.

5 Timing

The Tribunal is requested to complete the special review and provide its report as soon as is practicable.

6 Interpretation

For the purposes of this Terms of Reference:

- 1) **complying generator** means a generator:
 - a) that is a renewable energy generator that has a generating capacity of no more than 10 kilowatts, and
 - b) complies with, and is installed and connected in a manner that complies with, any applicable safety, technical or metering requirements.
 - 2) **Market Monitor** means the Tribunal prescribed by clause 8A of the National Energy Retail Law (Adoption) Regulation 2013
 - 3) **Tribunal** means the Independent Pricing and Regulatory Tribunal established under the Independent Pricing and regulatory tribunal Act 1992 (NSW).
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