

# 2019–20 proposed feed-in tariffs



## Information for solar system owners

The Essential Services Commission sets the minimum feed-in tariff paid to owners of small solar systems for the power they sell to the grid. New tariff rates will apply from 1 July 2019.



Feed-in tariff rates are the minimum price your energy company must pay you for power you export to the grid. Retailers can pay you more.

This year we are proposing to again set both a single-rate and a time-varying tariff. Retailers would be able to offer the time-varying rate, the single rate or both rates.

The time-varying tariff is between 8.9 cents – 14.1 cents per kilowatt hour. The single rate tariff is 11 cents per kilowatt hour.

### What are the proposed 2019–20 feed-in tariffs?

We are proposing that retailers would have the option of offering the time-varying rate, the single rate or both rates.

The draft single rate tariff is 11 cents per kilowatt hour (regardless of the time of day or day of the week).

Tariff	Minimum rate to apply (all times) (c/kWh)
Single-rate minimum feed-in tariff:	11.0

The time-varying tariff is outlined in the table below.

Period	Weekday	Weekend	Rate: cents per kilowatt hour (c/kWh)
Off peak	10pm – 7am	10pm – 7am	8.9 c/kWh
Shoulder	7am – 3pm, 9pm – 10pm	7am – 10pm	10.7 c/kWh
Peak	3pm – 9pm	n/a	14.1 c/kWh





## We want to hear your feedback

We are receiving feedback on our draft decision until midnight 13 January 2019 through the Engage Victoria platform (<https://engage.vic.gov.au/minimum-feed-tariff>), directly through emails to ([fitreview@esc.vic.gov.au](mailto:fitreview@esc.vic.gov.au)) or mail to:

Essential Services Commission  
Level 37, 2 Lonsdale Street  
Melbourne Victoria 3000.

## How do we calculate the rate for the minimum feed-in tariff?

We calculate the minimum feed-in tariff by forecasting the wholesale price of electricity for the year ahead. The wholesale price varies across different times of the day due to changing supply and demand. As solar panels generally export power between certain hours of the day we only use the forecast wholesale price for electricity during these solar hours.

We also consider the costs that are avoided when your retailer buys your solar power instead of power from a large scale generator. This includes the cost of power that is normally lost when it travels long distances through the transmission network from a large central generator and the cost of the fees and charges your retailer would normally pay to the Australian Energy Market Operator when they buy wholesale energy.

The minimum feed in tariff also includes a price that is paid to account for the avoided social cost of carbon attributable to a reduction in air pollution due to the energy exported by your solar panels. This rate is currently set at 2.5 cents per kilowatt hour (c/kWh).

## Supporting resources

You can read more about how we calculated our proposed feed-in tariffs by reading our draft decision or watching our explainer video. For more information and supporting resources, visit: <https://www.esc.vic.gov.au/minimum-feed-tariff-review-2019-20>

## Key dates

13 January 2019: consultation on draft decision closes

late February 2019: final decision released setting minimum feed-in tariffs for 2019–20

1 July 2018: new minimum feed-in tariff commences

## Contact us

Got a question? Follow us on LinkedIn and Twitter, or view our contact details:

[www.esc.vic.gov.au/about-us](http://www.esc.vic.gov.au/about-us)

