

Minimum feed-in tariff review 2022-23

Submission received through Engage Victoria

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From 2 December 2021, we began accepting submissions on our Minimum feed-in tariff review 2022-23 via Engage Victoria (www.engage.vic.gov.au). On this website, people were given the opportunity to send us a response to a set of questions we provided.

Forecasting wholesale prices

The consumer is not seeing any reduction in their power bills. Despite my solar system and battery storage, my bills are exorbitant. I feel for those who are struggling on a pension. If indeed wholesale prices are lower, where is the benefit to the consumer? Where is the regulation that goes hand in hand with solar feed in tariffs that protect the individual resident from the giant retailer?

This decision and previous decisions are tantamount to theft. If a retailer can charge 25c + for electricity generated cleanly by a household, then the household should get a higher percentage return. Given the 2.5c social cost, this makes this theft even more outrageous.

Other fees and charges

Fees for maintaining a network are to be expected, but these base costs are being charged seemingly without limits. This eats into any savings made through alleged wholesale price reductions. Fees must be streamlined and charges as a whole need to be made more transparent, with all retailers following the same scales to ensure transparency. E.g. Tier 1, Tier 2, etc. They can charge different rates for the tiers, but it should be crystal clear where the cut off points are.

The social cost of carbon

Given the 2.5c social cost, households will effectively be paid 2.7c per kWh for their energy.

How the Essential Services Commission can approve further cuts to solar feed in tariffs, without hanging their heads in shame, is beyond me. Households are being left out of this equation. 5.2c is simply not a fair return on investment.

Are there any other matters relevant to the review we should consider?

Yes, return on investment. By further cutting rates, less people will switch to solar. If I had my time over again, I would not have wasted my money, as my investment will take twice as long to break

even and I will need to replace panels well before that time.

This must be clearly stated in any and all future residential and commercial solar installations, as the cost benefit simply doesn't exist for the residential consumer.

The public are not experts in this area. I'm happy to acknowledge that, but the ESC should act in a manner that protects the good faith of those who have installed solar systems, yet it does not. It appears to act in the best interests of corporate electricity giants.

The ESC needs to do a significantly better job of explaining their decisions and why the householder is always the one having to carry losses, whilst the retailers and wholesalers get to continue making large profits. As a government department, you do a great job of impersonating a corporate lackey!