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Dear James

**THE ENERGY VALUE OF DISTRIBUTED GENERATION
Distributed Energy Inquiry Stage 1 Draft Report
Submission**

Moirashire Council is very interested in this inquiry and appreciates the potential if the Commission's draft recommendations are implemented. Outcomes of this inquiry could result in a significant increase in the uptake of renewable energy throughout Moirashire as well as recognising those who have already installed renewable energy technologies.

Councils Environmental Services Unit and I support the recommendations in the Draft report. We believe the concepts of introducing a multi-rate feed in tariff and recognising the environmental and social value of distributed generation as important steps forward.

This inquiry is also of relevance to a joint project we have with Swan Hill Rural City Council. The Victorian Government funded 'Virtual Renewable Power Stations' project was developed in response to the risks regional Victorian communities face from dependence on the centralised electricity system. The particular risks this project responded to were:

- climate change impacts on energy distribution systems;
- grid capacity constraints; and
- lack of alternative energy supplies.

The project is also part of a national project funded by Australian Renewable Energy Association 'Facilitating Local Network Charges and Virtual Net Metering' which has developed a methodology for determining the value of distributed generation with consideration of deferring future network investment.

We look forward to the next stage of the inquiry as it investigates the true network value of distributed generation.

If you have any queries or wish to discuss this matter further, please do not hesitate to contact Kate Bell, Environmental Sustainability Officer .

Yours faithfully

Andrew Close
General Manager - Infrastructure