

29 January 2018

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Director, Energy
Essential Services Commission
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Via emailed: fitreview@esc.vic.gov.au

Dear Sarah,

RE: Minimum electricity feed-in tariffs to apply from 1 July 2018

AusNet Services is pleased to have the opportunity to make a submission to the Essential Services Commission draft decision outlining the two feed-in tariffs (FiTs) to apply from 1 July 2018.

The draft decision proposes to provide greater rewards for customers selling excess solar and battery capacity at times of peak wholesale prices. This initiative certainly aligns with AEMO's recently published advice to customers suggesting to customers reduce afternoon consumption between 4pm to 7pm in order to reduce the overall strain on the generation system and hence reduce the cost of electricity in the wholesale energy for everyone.

AusNet Services supports the draft decisions to apply time-varying minimum feed in tariff, in addition to a single rate minimum feed-in tariff. This will create a long-term incentive on customers to install west-facing solar panels. All customers installing additional solar capacity can benefit from the more continuous supply of embedded generation with less voltage constraints on the network.

In our experience, there has been very low take-up of flexible pricing arrangements. The changes for FiTs will materially increase the uptake and experience with flexible pricing for small customers in Victoria, and therefore assist in the realisation of smart metering benefits.

Should you have any queries in relation to this submission please do not hesitate to contact [REDACTED].

Yours sincerely,



Kelvin Gebert
Manager Regulatory Frameworks