

Minimum feed-in tariff 2023-24

Submission received through Engage Victoria

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From December 2022, we began accepting submissions on our Minimum feed-in tariff review 2023-24 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.

What parts of our proposed methodology for setting the minimum single and time-varying feed-in tariff rates do you consider are appropriate?

Broadly one has to agree with the methodologies, in particular that non-solar users must not subsidise the feed-in tariff available to solar users.

What parts of our proposed methodology should we change?

When we are told by supposedly responsible sources that the retail price of electrical energy in 2023 will increase by $\approx 40\%$, one has to argue with the conclusions reached by applying your methodologies. Thus, if "wholesale costs make up almost half of the costs in the flat (rate) feed-in tariff", say 2.4c/kWh, and the avoided social cost (reduced carbon emissions) is 2.5c/kWh, it is incomprehensible to me that a flat rate of 4.8c/kWh can be concluded. Your conclusions need to be better explained and justified in the context of the staggering forecast in retail electrical energy costs. 'Justice must be seen to be done.'

For our overall methodology, or parts of it, what alternative methodologies should we consider?

I am disappointed that I lack the expertise to suggest alternatives; I believe that your methodologies attempt to properly account for all the inputs taken, but the conclusion is arguable.