

Essential Services Commission
Level 8/570 Bourke St
Melbourne VIC 3000

Subject: Opposition to the Proposed Reduction in Feed-in Tariffs for 2025–26

As an aged pensioner living on a fixed, low income, I am writing to vehemently oppose the proposed reduction in minimum feed-in tariffs for 2025–26. This reduction, from 3.3 cents per kilowatt hour (c/kWh) to an unconscionable 0.04 c/kWh, fails to account for the financial realities faced by vulnerable members of our community, including pensioners, who are already struggling to cope with the substantial and ongoing cost-of-living increases.

Solar energy has been a lifeline for many pensioners, offering a way to offset spiralling electricity costs while contributing to a more sustainable future. The proposed reduction in feed-in tariffs would dismantle this vital financial support, leaving us with few options to manage ever-increasing expenses.

Electricity costs are one of the largest household expenses for pensioners, and while we make every effort to consume the energy we generate, we cannot escape the need to rely on feed-in tariffs to make solar systems financially viable. With retail electricity prices ranging between 26 and 35 c/kWh, the feed-in tariff reduction would create an insurmountable gap for those of us who have invested in solar systems as a means to secure financial stability.

The Commission's justification—that wholesale electricity prices have decreased due to solar energy—ignores the unequal distribution of these savings. While energy providers and consumers who have not invested in solar systems benefit from these lower prices, those of us who have borne the upfront cost of solar installations now face a situation where our returns are diminished to near-zero levels.

To address this inequity, I urge the Commission to reconsider its proposal and instead implement measures that protect low-income households, particularly pensioners. Specifically, I propose:

1. **Increased Feed-in Tariffs for Pensioners and Low-Income Health Care Card Holders:** A higher tariff for these groups would acknowledge their reliance on solar energy to mitigate financial hardship and ensure they receive fair compensation for their contributions to the grid.
2. **Subsidies or Rebates for Solar System Maintenance:** Ensuring pensioners can afford to maintain their solar systems would further enhance energy affordability and sustainability.
3. **Additional Targeted Energy Assistance Programs:** Direct support for pensioners and low-income households through additional rebates or discounts on electricity bills.

These measures would help counteract the rising cost of living and preserve the financial stability of vulnerable Victorians while continuing to promote the adoption of renewable energy.

In conclusion, I strongly urge the Commission to reconsider its draft decision and instead act to support, not penalize, those who have embraced renewable energy in good faith. The proposed reduction in feed-in tariffs will disproportionately harm the most vulnerable members of our community, undermining their financial security and well-being. A fair and equitable energy policy must include provisions that protect pensioners and low-income households from bearing the brunt of these changes.

Thank you for considering this submission. I trust the Commission will act in the interests of all Victorians, including those who are most at risk.

Sincerely

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