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Essential Services Commission  
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Dear Essential Services Commission

**RE: Consultation on “Minimum Electricity Feed-in Tariffs from 1 July 2025 Draft Decision”**

I am a Victorian electricity consumer in regional Victoria, running a fully-electric house, with solar panels and a fully electric vehicle which is charged at home.

I understand your draft decision is required to consider factors specified under the Electricity Industry Act 2000 when setting a minimum feed in tariff (page 6 of the Draft Decision).

While I understand the draft decision, I object to the process and the draft decision. The draft decision is isolating the Feed-in Tariff from all other tariffs/mechanisms in the electricity market, when it all tariffs should be considered together.

In order for the Draft Decision to gain my support, I would need to see the Victorian Default Offer consumption tariffs reflect a similar pricing level for imported electricity. In other words, the electricity that I export for \$NIL to the grid during the midday peak, and consumed by my neighbourhood, should be priced at NIL or slightly positive for my neighbour (as an example, 3c/kWh for wholesale cost, plus -0.08c/kWh for other avoided energy costs, plus 2.49c/kWh for carbon and human health costs (pages 10, 12, 13 of Draft Decision), plus an average markup for retailer profit (30%) = 7.03c/kWh). This will provide the community and business with the biggest incentive to utilize the excess solar resource, and further reduce carbon emissions.

As this draft decision does not provide any incentive for the community to utilize the excess solar resource through lowering the price of midday electricity consumption, I do not support it. In my view, this draft decision will become a profiteering opportunity for all retailers to pay nothing for the solar resource, and sell it at current retail rates to my neighbours. I do not support the ESC enabling profiteering. Its purpose is:

*“To promote the long-term interests of Victorian consumers with respect to the price, quality and reliability of essential services.”*

This draft decision, in the absence of comparative VDO consumption tariff decision, does not meet the long-term interests of Victorian consumers with respect to the price of essential services.

The draft decision also seems to suggest that solar households do not make the most of their solar resource, which is incorrect. Solar households are well aware of the benefits of self-consumption, as demonstrated by my own energy consumption graphs (Fig 1 & Fig 2). Both before and after purchasing an Electric Vehicle, my house has made the most of daily solar, and working from home helps me to use it more. I have been gradually transitioning my house to full electric:

- April 2021: switched to Time of Use tariffs & configured hot water heat pump to run during the Off Peak
- June 2022: installed a 6.6kW solar system and configured a computer to monitor and log my home energy usage and solar production
- December 2022: installed two reverse cycle air-conditioners
- January 2023: disconnected from the reticulated gas network (town-gas)
- August 2024: purchased a battery electric vehicle
- October 2024: installed a home EV fast chargepoint
- Future plans include installing another air-conditioner, and possibly a home battery.

As you can see, solar households are on the path, and many people I speak to with solar actively advocate to friends and colleagues the benefits of installing solar. However, the VDO is not reflective of that benefit to the community in the pricing of consumption tariffs. I believe your draft decision may be under-assessing the real efforts that many solar households go to, to self-consume their own solar.

Taking into account the two proposed options, the simplest option is usually the best, as it eliminates complexity. In that circumstance, Option 2 is the best option because the Peak/OffPeak/Shoulder times are the same everyday and enables people to build energy usage habits. Option 1 has too many tariff changes. If the VDO consumption tariffs were adjusted to mirror the Feed in Tariff times (Peak/Off Peak/Shoulder) with a comparative lowering of the consumption tariff to reflect the cheap price of solar during the day, then I would be more likely to be supportive of Option 2 in the Draft Decision.

In summary, assessing the Feed in Tariff in isolation will lead to profiteering, and this does not meet the purpose of the ESC. Adjustments to the Feed in Tariff should only be done in concert with similar adjustments to the VDO. Option 2 gives the least complexity of the two options proposed.

Kind regards





Figure 1. My home's energy consumption on 17 January 2025 (summer, clear day). After purchasing an Electric Vehicle. Of 43.6kWh produced, only 3.1kWh were exported. The car charger is solar aware, and automatically adjusts the charging level based on the solar production and house consumption to capture solar that would otherwise be exported to the grid. During lunch, the car was disconnected for use, and after 6pm, solar production dropped below the minimum charging level required (1.4kW) to continue charging.

Energy usage key: Blue = energy imported from grid; orange = solar energy self-consumed; purple = solar energy exported to grid

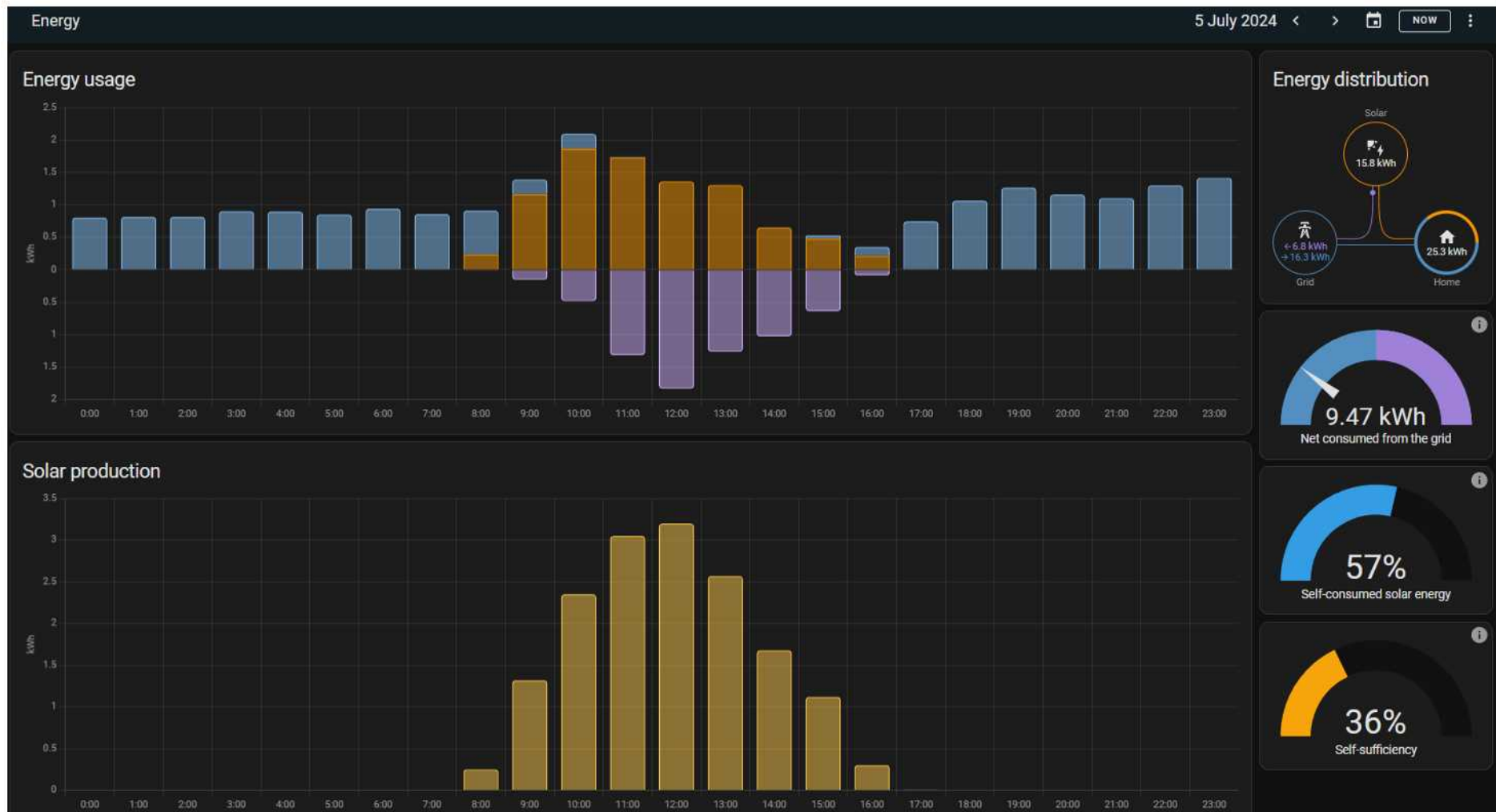


Figure 2. My home's energy consumption on 5 July 2024 (winter, clear day). Prior to purchasing an Electric Vehicle. In winter, with electric heat pump heating. Home energy consumption increased during solar production hours to utilise the opportunity. Hot water heat pump, dishwasher etc, are run in the mid-mornings. By 2PM, appliances have finished their cycles, and sun is coming through windows reducing the need home heating. Energy Usage key: Blue = energy imported from grid; orange = solar energy self-consumed; purple = solar energy exported to grid