

22 March 2021

Ms Liz Livingstone
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
Sydney NSW 1240

Online submission

Dear Sir or Madam,

Solar Feed in Tariffs Benchmarks Issues Paper.

The Australian Energy Council (AEC) welcomes the consultation opportunity in the IPART Solar Feed in Tariffs Issues Paper.

The AEC is the industry body representing 22 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The AEC has not responded to all the matters raised in the consultation paper.

1. Is there enough information for customers to make the best financial decisions (given how much electricity they use and when they use it) on: – whether to invest in solar systems? – the size of the system most suitable for them? – the retail offer they should choose?

The AEC notes that a variety of sources such as the Clean Energy Council (CEC) provide information at websites. The Clean Energy Council information can be found at <https://www.cleanenergycouncil.org.au/consumers> and provides information on both solar and battery installation. The CEC has a non-prescribed voluntary Solar Retailer Code of Conduct that sets out information requirements, general compliance with the law and how to make a complaint in NSW.

In addition, in NSW the ACCC monitors and enforces the Competition and Consumer (Industry Code—Electricity Retail) Regulations 2019¹, a mandatory industry code prescribed under the Competition and Consumer Act 2010. This Code describes how information on retail offers must be presented to customers.

The AEC note that as in all sales, much of the information available to inform the customer's decision is not always neutral product information, and is sales and marketing information offered by the seller. The CEC Code of Conduct will help customers be able to assess their offers, however customers will still be required to make their own comparisons and conclusions.

¹ <https://www.accc.gov.au/business/industry-codes/electricity-retail-code#the-code>

2 Are retailers providing new types of offers to households that can help them optimise the times that their energy is used, exported, or stored, for the benefit of these households, and other customers? Are customers interested in getting different prices for solar at different times across the day, depending on how much it is worth at the time?

Some retailers have offered solar feed-in tariffs in excess of the benchmark range in the retail electricity market, indicating that the pricing for solar feed-in tariffs is also competitive. This is evidence that offers to households are available that are reflective of the value of both the energy and its time of export, that customers can choose offers that optimize the benefit available to them.

3 Are there any barriers to customers installing batteries? What options are available to customers?

The AEC notes that unlike solar, there are not specific pricing windows for battery discharge that may complement or optimise their use and the concomitant customer benefits. This would be a useful opportunity for further consultation.

Any questions about this submission should be addressed to David Markham by email to david.markham@energycouncil.com.au or by telephone on (03) 9205 3107.

Yours sincerely,

David Markham
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Australian Energy Council