

Victorian Default Offer 2023-24

Submission received via Engage Victoria on our consultation paper on Victorian Default Offer 2023-24

Date submitted: 28 January 2023

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What are your views about our proposed approach to setting the 2023–24 Victorian Default Offer?

Solar feed in tariff is my biggest concern as it is a fragmented group of individual stakeholders that contribute significantly to power production but have no united voice or lobby group that adequately represents their importance. If all residential solar supply was turned off there would be significant power supply issues for the state. Wholesalers last year claimed that their rate would be dropping and so the default FIT was halved yet within a month of the decision wholesale rates increased by 250%. Wholesalers were therefore making a huge profit at the expense of the thousands of residential solar feed in providers who were powerless to affect any change. The inability to adjust FIT price based on wholesale price was last nothing more than theft. It is my proposal that the Default FIT be made as a percentage of the wholesale price.. it is obvious that the information from the wholesalers cannot be trusted.

It is my proposal too that a state sponsored body representing the members of the residential Solar FIT community be formed with majority membership being individual residential solar panel owners. This would enable a just and strong voice at the table in any further discussions/decisions. Regarding the Victorian Default Offer.

Do you think that the costs associated with the Australian Energy Market Operator's June 2022 interventions in the wholesale market should be reflected in the Victorian Default Offer? Why/Why not?

No

The wholesalers decided to close plants to avoid maintenance costs well before their expected use by dates., in Victoria the price of brown coal was unaffected by world prices , and there was an abundance of cheap electricity from solar feed in. There has been no proposal to compensate residential solar FIT providers either.

What are your views on using a variation mechanism for market intervention costs?

It has to be specific to Victoria not the broader market.

Do you think we should make changes to our retail cost benchmarks? Why/Why not?

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Do you think we should make changes to our customer acquisition and retention cost benchmark? Why/Why not?

No

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Do you think we should publish consultation papers in addition to our draft decision papers in future Victorian Default Offer reviews? Why/Why not?

Yes

More information cannot hurt. Better communication provides better understanding.

Are there any other matters the commission should look into?

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