



## **MEDIA STATEMENT**

# Electricity Feed-in Renewable Energy Premium: Determination of Premium Rate

'The Independent Competition and Regulatory Commission (the Commission) has today released an Issues Paper to assist with the determination of the premium rate to be paid for electricity generated under the provisions of the electricity feed-in tariff scheme' Mr Paul Baxter, Senior Commissioner, announced today.

Under this scheme, payments are made from electricity retailers to owners of renewable (solar and wind) electricity generators, including both households and small businesses, for all electricity produced. These payments are made at a price known as the 'premium rate' for generators with a capacity of less than 10kWh, and at 80% of the premium rate for generators between 10kWh and 30kWh capacity.

'The Commission has been asked to develop a model for determining the premium rate which provides guidance on the determination of the rate for the period 1 July 2010 to 30 June 2011, and on a mechanism for annual adjustments of the rate for the following four years' Mr Baxter said.

'Currently, producers of electricity under this scheme can be paid up to 50.05 cents per kilowatt-hour of electricity generated, a significant premium on the standard price charged to households for electricity of 15.246 cents per kWh' Mr Baxter said.

'However, to fund this premium rate payment to those households and small businesses with relevant generator capacity, all electricity consumers in the ACT pay slightly higher charges per kWh for their electricity' Mr Baxter said.

'The Issues Paper identifies a range of matters the Commission considers relevant to the calculation of the premium rate' Mr Baxter said. 'These are matters that are relevant to all electricity consumers in the ACT regardless of whether or not they currently benefit under the feed-in tariff scheme'.

Copies of the Issues Paper can be found on the Commission's website at [www.icrc.act.gov.au](http://www.icrc.act.gov.au).

The Commission welcomes comments on matters raised in this Issues Paper as well as comments on any further matters considered by stakeholders to be relevant. These comments will be taken into account in the Commission's draft and final decisions, which will be released in January 2010 and March 2010 respectively.

STATEMENT ENDS 23/11/2009

For further information, please contact Paul Baxter on 0418 633 396.