



**LEGISLATIVE ASSEMBLY**  
FOR THE AUSTRALIAN CAPITAL TERRITORY

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STANDING COMMITTEE ON ENVIRONMENT AND TRANSPORT AND CITY SERVICES  
SUZANNE ORR MLA (CHAIR), CANDICE BURCH MLA (DEPUTY CHAIR), JAMES MILLIGAN MLA

**Inquiry into referred 2017–18 Annual and Financial Reports**  
**ANSWER TO QUESTION TAKEN ON NOTICE**  
**13 November 2018**

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Asked by ELIZABETH LEE MLA:

In relation to: Cost of feed-in tariff to households in '17-19' [sic]

**Mr Harding:** Daniel Harding, Senior Manager, Energy Markets and Renewables. So the cost of our feed-in tariff schemes incorporates both the large scale feed-in tariff and the small scale feed-in tariff. Those costs are bundled together with the costs of the Energy Efficiency Improvements Scheme, so the total cost for those three climate change policies for a typical household is about \$164 in 18-19.

**MR COE:** Sorry, what is that amount?

**Mr Harding:** \$164. That incorporates the three schemes.

**MS LEE:** So that was, sorry, 17-18?

**Mr Harding:** In 18-19.

**MS LEE:** 18-19?

**Mr Harding:** Yes.

**MS LEE:** And what was it in 17-19?

**Mr Harding:** I do not have that figure in front of me, but I am happy to take that one on notice for you.

**MINISTER RATTENBURY:** The answer to the Member's question is as follows:–

The costs paid by consumers in 2017-18 and 2018-19 for the small and medium scale feed-in-tariff (FIT) scheme, large FIT scheme and Energy Efficiency Improvement Scheme are shown in Table 1 below.

These figures are based on costs cited by the Independent Competition and Regulatory Commission (ICRC) in reports *Standing offer prices for the supply of electricity to small customers from 1 July 2017* and *Standing offer prices for the supply of electricity to small customers from 1 July 2018*, applied to a

representative ACT household. A representative ACT household is defined in the Australian Energy Market Commission *2017 Residential Electricity Price Trends Review* as a two-person household without gas, using 7.151 MWh of electricity per year.

**Table 1 – Annual per household cost of ACT Government climate change policies**

	2017/18	2018/19
Small and medium FIT Scheme	\$50	\$44
Large FIT Scheme	\$111	\$91
EEIS	\$30	\$29
<b>Total</b>	<b>\$191</b>	<b>\$164</b>

It is important to note that Evoenergy’s cost recovery for the large FIT scheme is via the ICRC’s regulated tariff, which is based on cost estimates prepared for the Environment, Planning and Sustainable Development Directorate (EPSDD) in advance of the relevant financial year. However, Evoenergy pays the ACT’s large FIT generators after the relevant year, based on actual data rather than estimates.

Therefore, the costs that Evoenergy pays to large FIT supported generators do not necessarily align with the costs recovered from consumers in that year. However, it is important to note that any difference must be repaid, with interest (either to Evoenergy or to consumers) in future tariffs.

For this reason, the 2017-18 Minister’s Annual Report under the *Climate Change and Greenhouse Gas Reduction Act 2010* uses EPSDD’s calculation of the actual costs incurred by Evoenergy as a result of the schemes in that year, using the most recent available data.

Approved for circulation to the Standing Committee on Environment and Transport and City Services

Signature:  Date: 25/11/18

By the Minister for Climate Change and Sustainability, Shane Rattenbury MLA