



## TEC submission to AER

### Export tariff guidelines Consultation Paper

TEC is funded by Energy Consumers Australia to advocate for the role of distributed energy resources in the equitable decarbonisation of the NEM. We were a co-proponent with ACOSS in the rule change process, working closely with AER staff.

TEC is pleased to acknowledge that the consultation paper reflects the spirit and intent of the rule change final determination. We would only like to see some clarification on one issue that does not appear to be covered in the paper.

The consultation paper does not appear to have countenanced the possibility that some PV exports could cause increased network costs, but that these costs should *not* be recovered from PV owners alone, because all consumers benefit.

This was SAPN's argument in the last reg reset (see their LV management business case) and the AER accepted it. That finding was based on the net market benefit due to the lower wholesale price of electricity caused in part by high PV exports. This may no longer apply in SA at least, due to the impact of high PV penetration on the wholesale price, which in the middle of the day is sometimes close to \$0 already.

Nevertheless, that approach was based on the net market benefit test in the regulatory investment tests (RITs). It is unclear from the consultation paper whether the export tariff guidelines will support the same approach going forward. We think that it should, because there is no reason for solar owners to foot the bill exclusively for network capex that will also benefit non-solar users.

This was an important element of TEC's support for the reform package, so we look forward to clarification of this issue.

For further information, please contact Mark Byrne, Energy Market Advocate, at [REDACTED].

Yours sincerely



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