
From: Tom Douglas
Sent: Tuesday, 7 October 2014 3:17 PM
To: ESCOSA:Essential Services Commission of South Australia
Subject: Draft Determination for R-FiT Pricing on PV Systems

Dear Sirs

I would like to make a comment on your current proposal to reduce the R-FiT for PV systems from 2015 to a minimum of 5.3c with an upper limit of 7.4c. Due to the lack of competition for PV customers there is no doubt that each of the major retailers will comply with the mandatory set minimum as there is no real incentive for them to do otherwise.

I would like the commission to consider applying a different principle for adjusting the applicable R-FiT and that is to determine a minimum for 2015 based upon the actual percentage increases charged by retailers to their customers. My experience to date is that retailers continue to increase their supply prices annually (which presumably is based on increases to their costs) and the R-FiT is determined under a different process. As such there is a significant disconnect between the two and thus no relativity between the R-Fit price and the actual price of power. The retailers could hardly argue that this was not a fair way of determining the price.

By doing this the R-FiT will remain relative to real power costs charged by retailers to their markets whether they go up or down.

Sincerely

Tom Douglas