

Independent Competition and Regulatory Commission (Premium Rate—Electricity Feed-in) Terms of Reference Determination 2009*

Disallowable instrument DI2009–225

made under the

Independent Competition and Regulatory Commission Act 1997, Section 15 (Nature of industry references) and Section 16 (Terms of industry references)

Reference for investigation under Section 15

Pursuant to section 15(1) of the *Independent Competition and Regulatory Commission Act 1997* (the ICRC Act) and having regard to the provisions of section 10(3) and section 11 of the *Electricity Feed-in (Renewable Energy Premium) Act 2008* (the Electricity Feed-in Act), I refer to the Independent Competition and Regulatory Commission (the Commission) the provision of advice to assist with the determination of the premium rate to be paid for electricity that is supplied by compliant renewable energy generators to the distribution network under the provisions of the Electricity Feed-in Act.

Terms of reference for investigation under Section 16

I require that the Commission consider the following matters in relation to the conduct of the investigation:

1. The Commission is 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.
2. In developing the model and preparing its advice, the Commission must give priority to the:
 - a. desirability of costs under the Electricity Feed-in Act impacting equitably on all electricity users;
 - b. need to encourage the generation of electricity from renewable sources;

*Name amended under Legislation Act, s 60

- c. need to reduce emissions from greenhouse gases;
 - d. need to reduce the likely effects of climate change; and
 - e. desirability of occupiers being able to recoup the cost of investment in renewable energy generation capacity within a reasonable time.
3. The Commission must also have regard to:
- a. the amounts payable under the Electricity Feed-in Act by an electricity distributor or an electricity supplier; and
 - b. any additional metering costs passed on to an occupier because of Section 6(2)(c) of the Electricity Feed-in Act.
4. In conducting its investigation, the Commission should identify other matters relevant to the determination of the rate.
5. The Commission must produce its final report by 15 March 2010.

Simon Corbell MLA
Minister for Energy

30 October 2009