Addendum 7.1.2: Deliberative energy workshops report

Regulatory proposal for the ACT electricity distribution network 2024–29

evoenergy

Co-designing network tariffs with ACT community

A research report of the findings and implications

Findings report
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Pollinate

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EXECUTIVE SUMMARY

Evoenergy commissioned research to explore feedback from residents of Canberra on the introduction of two proposals for changes to electricity network pricing. These two changes were:

i) To assess the likely impact of introducing a Solar Sponge charge during the daytime, and

ii) Explore the response to the idea of introducing export charges and if so, what was the most fair and equitable way of doing so.

A market understanding survey was conducted among a representative sample of n=650 Canberrans to gauge initial reactions to the proposed changes, ownership of export-potential (solar, batteries and an electric vehicle) products, and likelihood to take up export-potential products.

Building on the survey findings, two (2) face-to-face workshops lasting two (2) hours (5:30-7:30pm) were conducted on 24th May and 8 June 2022 in Civic, Canberra. Each workshop comprised 14 people who reconvened for both sessions. The sample comprised of three separate groups – solar energy users, considerers of solar energy[1]and people unable/unlikely to get solar[2]. In addition, two (2) online forums over 2 days were conducted among five (5) vulnerable[3] customers.

There is broad support for the introduction of a '*Solar Sponge'* as it makes intuitive sense and was seen as a practical solution to manage network issues related to excess energy in the grid. Participants believe it is likely to encourage people to shift electricity usage to the daytime when possible, however, reasoned that the 'reality of life' would mean behaviour change might be limited. In addition, the cost incentives seem to be minimal and therefore "*not worth the effort or inconvenience.*" Nonetheless, this idea was wholly supported.

The introduction of *export tariffs* required greater mental effort to understand as few people had any knowledge of export pricing (except for solar users). Once explained, most people were open to the idea of export pricing. Many felt they did not know enough or were not heavily invested enough to take a strong stance on whether export pricing should be introduced in the next regulatory period. Once the bill impacts of export tariffs were shown, people thought the arguments were moot given the 'insignificance' of the savings/costs.

[1] *Definition of considerers of solar energy: People who are actively considering solar installation in the next 12months*
[2]*People unable/unlikely to get solar due to renting, living in apartment, unable to afford etc.*
[3] *Definition of vulnerable; People who are experiencing / have experienced one or more of the following: Uses life support, Low literacy level, a disability, Incurring financial stress (low income*

From our sample, there was unanimous support for ensuring export tariffs (indeed any changes or reform to energy pricing) are carried out in a way that does not disincentivise solar uptake and encourages greater use of batteries. For that reason, people supported the introduction of a mandatory export tariff for new exporting customers only or an opt-out scheme for all exporting customers. The participants rejected the option for a mandatory change for all exporting customers and considered an opt-in assignment potentially ineffective. However, there is potential for a small but vocal minority – mostly solar users – who oppose the idea outright.

Communication around change to pricing should be explained and framed in the context of supporting 'positive energy usage' and a more equitable and sustainable energy supply for Canberra and beyond.

DETAILED FINDINGS

Objective of the project

To consult with ACT residential consumers on two new draft proposals to Evoenergy's pricing structure:

- To gauge feedback from consumers on the idea of a "Solar Sponge" and what changes (if any) this may have on behaviour
- To gauge feedback from consumers on a proposal to introduce export tariffs, and if so, what is the most fair and equitable way of doing so

Methodology & Sample

Pollinate conducted a mixed quantitative and qualitative methodology:

1. Market sizing survey among a representative sample of n=650 Canberrans to gauge initial reactions to export pricing and tariff structure changes, ownership of solar, batteries and/or an electric vehicle, and likelihood to take up these products soon. Attitudes toward grid upgrades were also measured.

2. Two (2) face-to-face workshops lasting 2.5hr on May 24th and June 8th, 2022, in Civic, Canberra, from 5:30-7:30pm

   Each workshop comprised 14 people who reconvened for both sessions. The sample was segmented into three segments:
   - 4 x who are current solar energy users
   - 5 x considers of solar energy
   - 5 x unable/unlikely to get solar

3. Two (2) online forums each for 2 days during the weeks of May 30th and June 13th with people defined as' vulnerable'.
   - The sample comprised n= 5 'vulnerable customers' reconvened for both online forums
   - Definition of vulnerable; People who are experiencing / have experienced one or more of the following: Uses life support, Low literacy level, a disability, incurring financial stress (low income)

Stimulus used in the workshop

Stimulus workshop 1

See page 17 of this document

Stimulus workshop 2

See page 24 of this document

RESPONSE TO SOLAR SPONGE

Research findings are from across the project and focus on the qualitative findings from stages 2 & 3, above. Any differentiation by segment is reported by exception.

Understanding of Solar Sponge as an analogy

People did not initially intuitively understand the 'Solar Sponge' (SS) as a metaphor. This is because people did not know the issue – excess solar energy – was a problem in the first place. Therefore, the need for a sponge to soak up the energy was lost without some cognition (System 2 thinking). Even on reflection, there was some misalignment regarding the term 'Solar Sponge' as people were uncertain who or what the sponge represented. That said, by the time they came back to the second session they had adopted this as part of the vernacular to describe the idea.

Support for the idea of a 'Solar Sponge'

In principle, consumers support the 'Solar Sponge' as a practical solution to manage network issues related to excess energy exported to the grid. Support is based on the belief it would have a (net) positive environmental, social, and economic impact:

- *Environment*: People believe it would encourage the use of energy during low demand-high solar generation time, reduce any 'wasting' of solar energy generated and make better use of a 'shared resource'. In turn, this would result in better outcomes for consumers, the network quality and reliability.

- *Social:* People felt it may have a positive impact on energy-usage behaviour. Potential to raise awareness of people's energy usage and habits and increase their ability to change and moderate their behaviour accordingly.

  People also felt this might encourage greater uptake of batteries to recharge during the Solar Sponge period to avoid evening peak.

- *Economic*: The key benefit was the opportunity for bill reductions if customers respond to the Solar Sponge by shifting usage during the middle of the day. It also provided more transparency around energy bills and informed their longer-term choice around energy retailers.

Solar Users

Solar users recognise they will not see the same benefits as those without solar, however, can see from a societal perspective the advantages the Solar Sponge will have for those who cannot afford solar.

While not negative, solar owners considered there would be little benefit of a solar sponge for them personally.

Considerers of solar

For those who are home during the day (retirees, work from home (WFH)) a Solar Sponge is an easy way to take advantage of cheaper rates and use solar energy that may otherwise be wasted. For others who are not home during the day, it will require more time management to set up timers on appliances, however, for time sensitive activities this will be redundant (e.g., turning the heater on during winter mornings, meal preparations).

Non-Solar

This group were conscious of the environmental and economic benefits of using a Solar Sponge to use excess solar power but realised this is only for those who are home during the day to take advantage of it. They identified that a Solar Sponge may reduce the number of people willing to install their own solar and are overall more cautious of the set-up of the Solar Sponge in the community.

> *"If there's enough take up, maybe we end up with a problem where there's not enough excess solar power (reverse effect)."*

Vulnerable

A good incentive for those who are at home during the day (retirees, people living with a disability, WFH,) to increase energy usage during the day and reduce consumption during peak times. Aware that it may not benefit everyone, however, the initiative is good for those on lower incomes or pensioners who cannot afford solar. There are still time sensitive activities (e.g., showers, cooking, watching TV) that cannot be done during the middle of the day and therefore this group will not be able to fully access all the benefits of the Solar Sponge without the introduction of a battery.

> *"It would also be great too, if those households who do not have solar energy on their roof, to access tariffs at this time."*

People welcomed the choice to change behaviour

Consumers discussed the ability to use appliance timers and delays on appliances such as washing and drying machines, in addition to the growing use of smart devices. They also explored the potential to cook in the early mornings or on weekends.

People felt it was an advantage for individuals at home during the daytime, with many of these groups being pensioners, retirees or vulnerable people who place

greater value on cost savings. While some indicated they could not personally benefit from the Solar Sponge, they noted others in the community could.

Although some limitations of the Solar Sponge (outlined below) were voiced in the discussion, these limitations did not negate overall support:

- The benefits would be realised by non-solar customers more than solar customers
- Some people were able to take advantage of daytime energy usage more than others i.e., retirees, people who work from home, people with smart phones, bills based on cost reflective tariffs
- Adding further complexity to the bill

The Vulnerable Group were more extreme in a positive and negative sense regarding their support due to the economic impacts. Concerns centred around fear their bills might rise due to a corresponding increase in peak pricing; for others, this meant they could take advantage of the lower rates during the daytime and so expected a reduction in their bill.

Across all groups, people claimed the Solar Sponge might encourage them to be more aware of their usage and change behaviours when it was easy and convenient.

- They could use smart appliances, when possible, to delay washing and drying and even cooking at different times
- However, the consensus was that the main cost of heating in winter (evening when the energy costs are highest) would not be covered by the daytime Solar Sponge

After seeing the potential bill impacts (i.e., shifting to cold inlet dishwashers to reduce bills by $59) consumers seemed less inclined to "*bother to change*" their behaviour.

> *It's a good idea but frankly I wouldn't notice that difference in my bill... but I would like to think I would change usage as a "good thing to do."* Considerer

Solar

A potential benefit for solar users was on overcast or rainy days when they cannot generate enough solar if they are home during the day and the opportunity to set appliances to run during the middle of the day to take advantage of lower prices. (e.g., dishwashers, washing machines).

However, few solar owners saw any worthwhile saving as their electricity bills were negligible; "*I haven't received a bill since I installed solar*"

As such, this was unlikely to impact any behaviour change. At the same time, solar users acknowledge that *"solar users were not put at a disadvantage"* by having a Solar Sponge.

Considerers

Despite being able to change habits to leverage the Solar Sponge (e.g., setting timers on appliances), those who are 'considerers' noted most customers will *"need better solar battery technology for people [who are] not at home during the day"* for a greater impact within the community.

> *"To change habits, energy rates would need to be significantly cheaper"*

Non-Solar

Adapting their behaviours to utilise the Solar Sponge and being more aware of "high energy consuming products". Sceptical of the real benefits for those who cannot take advantage of the Solar Sponge.

> *"Overall, this seems like a technical issue (network overload at peak times and under-use at lull times) that the company is trying to solve socially"*

Vulnerable

This group are already more conscious about when appliances are used and how best to take advantage of the 'off peak' costs through setting timers and turning off appliances when they are not in use. For those who are at home during the day they felt less 'guilt' when using appliances at times when the Solar Sponge would be active. Additionally, the Solar Sponge is an *"incentive to change habits for those who aren't at home during the day"* however, vulnerable individuals suggest that those responsible for management of the energy system "*should be looking into storage facilities that more effectively capture the energy being generated and then pass it on at peak times."*

RESPONSE TO EXPORT TARIFFS

Majority of Canberrans are unaware of current network pricing structures (i.e. All users currently pay for upgrades caused by export peaks)

The following section regarding export tariffs was captured during workshop two.

Most residents without solar do not know how the current pricing structure works ie that exporters get feed-in tariff for all energy exported to the grid but all users pay for upgrades caused by export peaks. And only the more engaged solar users understood in detail.

After explaining the current pricing structure above, people were asked to rate it on a scale of 1– 10 where 1 = Fair and 10 = unfair as an individual task, to avoid group bias.

The majority of people did not feel strongly either way (rating of 4-7) and could see both sides of the argument. There were two or three who felt strongly at both ends.

Reasons in favour of sharing cost of upgrades (current system)

- Canberrans believe in the idea of a 'collective' approach to our energy problems
- Canberrans believe those with solar have made an investment which benefits everyone

Reasons in favour of exporter paying cost of upgrades:

There was a concern among people who favour the introduction of an "export tariff" that the current system exacerbates inequity in society; where the people who can afford to get solar are getting unfair advantage: low or negligent energy bills, feed-in tariff for the energy they export while sharing the cost impact of their exports with everyone else.

Conversely, customers who are unlikely to afford or get access to solar (because they rent or live in apartments) are footing the bill for exporters without any benefits. And that this inequity will only increase as more people take up solar and other alternative energy sources.

Majority of people were open to the introduction of an export tariff – particularly when the indicative bill impacts are revealed

As consumers did not feel strongly about the current pricing structure, they were largely ambivalent about the introduction of an export tariff. People understood the 'export user pay' intent behind it and felt this was justified particularly with the future of energy and pricing being so volatile.

That said, there was a universal concern that any change should not impact negatively on people who have already invested in solar, nor should it de-incentivise the uptake of solar/renewable energy products. This was voiced by both solar and non-solar customers.

When people saw the indicative bill impacts of the export tariffs (+ / -), they considered these impacts "*insignificant in the context of an overall energy bill*". These indicative bill impacts tended to dilute people's stance on whether they were for or against the idea. Thus, people's concern that solar customers may be unfairly impacted was not realised.

> *"We are talking about such small amounts [of money] it won't even register or matter" Considerer*

One aspect people did agree on was the need for companies and government to continue to incentivise uptake and use of renewables for 'the good of society'. Any lingering objection to an export tariff was to the idea it had the potential to be seen as going against the push toward renewables.

On balance, people were at best ambivalent to the introduction of export tariffs, as it seemed to offer no real advantage and added complexity, although it is worth noting one or two people were strongly against it.

Among those with solar and batteries, the potential to export energy during peak usage times (i.e., 5pm-8pm via energy stored in household batteries) is not yet well understood. As such, there is an opportunity for network businesses to communicate this potential as part of any roll out.

Solar

Solar users stated the export tariff and reward system would work better during summer. In winter, due to shorter days, the charges may be greater than the rewards because they are less likely to be able to generate energy to export during the peak pm period "*winter is a disadvantage if the grid rate is higher than the benefits*".

Moreover, tariffs will ultimately make bills more confusing and solar users noted an export tariff will further incentivise solar batteries.

> "*Getting hit twice with Solar Sponge and the hosting capacity upgrade fee*"

Considerers

Those considering solar stated that an "*export tariff and reward cancel each other out*". Furthermore, during winter, there would be limited opportunities for export rewards to accrue to solar-only customers due to shorter daylight hours.

Non-Solar

Non-solar customers did not see any advantages to an export tariff due to the notion it was overly complex compared to the current system. Additionally, the export tariff will only "*disincentivise more people getting solar*".

> "*This seems like a Band-Aid solution*"

Vulnerable

There was a mixed view on export tariffs and rewards within the Vulnerable group. Those in favour noted it would encourage everyone (including exporters) to be more conscious of their usage behaviours suggesting "*it would take pressure off the system, as people become more conscious of their usage and at certain times*". Thus reducing excessive exports during the day.

Those against the proposal stated it will discourage the adoption of solar and believed it would penalise, and even resentment, amongst those who already have solar.

If export tariffs are introduced, solar users and considerers should be given choice, flexibility, and transparency

People were asked to vote on how they preferred export tariffs to be introduced, if this proposal was to go ahead:

First preference: Mandatory introduction for new solar customers

This meant new solar customers could makes an informed choice on solar and existing solar customers would not be impacted negatively, for a decision made under different expectations.

Second preference: *Opt-out* for all new solar customers.

There was s support for an opt- out proposal to give solar customers more choice to participate in the tariff charge and reward scheme.

This was suggested over opt-in as people felt opt-in would not get any traction. People would first need to be made aware of the scheme and also go to the effort of calculating the impact on their bill. People felt this was unlikely to happen as utilities were a low interest topic.

Third preference: Opt-in for all new solar customers
People felt this would not work for reason above

Fourth preference Mandatory for all existing and new solar customers.

This proposal was rejected by most people as it was deemed "unfair" to change the parameters after people had 'invested in solar' based on a set of circumstances and expectations at the time.

Everyone supported any change to be introduced e in the upcoming 2024-29 regulatory period to "*get on with it*" and address the issues as soon as possible.

Within the Vulnerable Group there was a mixed consensus on which option they would support. Mandatory for all new and existing solar customers was seen as the fairest and most equitable option for all exporters, assuming "*there would be a long enough notice period*" to let solar customers know of any additional costs that may occur. Mandatory for new solar customers was noted as fair as "*existing customers were not made aware of the tariff previously when making a choice for solar energy. New customers can then be fully informed and aware of their choice, associated costs in balance with their choice to have solar panels.*".

An opt-in approach was only seen a positive due to the other two options benefiting the supplier/provider over the consumer, however, this was among a minority of participants.

PRINCIPLES TO GUIDE PRICING

As a way of summarising some of the high-level themes emergent from the discussion, people were asked to generate principles and guidelines that they feel should inform pricing for the whole-of-energy system, beyond the network specific proposals discussed.

The key themes were as follows:

Simplification of bills to aid understanding

- Simple to read bills
- Streamlined tariffs to make them easy to understand
- Not too complex
- Clearly explain costs
- Easy to understand costs and tariffs

Greater transparency to explain changes and pricing rationale

- Transparency in billing
- Inform customers about networks and charges = clear communication
- Pricing should be transparent and understandable to most people
- Open information like other programs (super, health insurance)
- In depth pricing breakdowns on request

Help consumers make informed choices

- Clearer and more transparent information on solar and its benefits
- Consumers have sufficient information to make informed decision
- Range of tariff choices

Incentivise the right/positive energy-usage behaviours

- Incentivise landlords to upgrade housing and get solar panels – clear and achievable
- Reward uptake of solar
- Ensuring network structure does not disincentivise solar use and installation
- Encourage households use energy differently
- Pricing should give messages to drive efficient behaviour

Explain/frame communication to demonstrate benefits at an individual, community, and territory/ACT level

- Clear understanding of individual habits or contribution within local community
- Measure potential solar customer segment

Always consider the environmental and social impact of pricing

- Environment first (not profit)
- Renewables should be accessible to all
- Regulate new house builds with solar required – predictable network growth feed in and out (like rainwater tank)

Provide for vulnerable people - to ensure equity

- Equitable sharing of costs
- Making sure it is socially fair
- Share costs amongst everyone
- Minimum energy standards for homes
- Means-testing for electricity billing

Focus on longer term, system level solutions not just "band-aid" fixes

- Subsidise batteries and solar panels
- Look at the long-term solutions involving batteries
- Large scale system changes
- Revisit carbon tax and consider emissions
- Regulate energy retailers (more)

IMPLICATIONS FOR CONSIDERATION

Consumers want to know the stewards of our nation's energy resources (companies, government etc.) are planning for the longer term, as well as looking at short term solutions.

Consumers believe that renewables are the future for energy and are unaware of any unintended or potential negative consequences of this transition. Potential to communicate some the inevitable obstacles as a part of the journey toward renewables.

Consumers do not understand or have a high level of interest in the role of networks or retailers in the supply of energy to their homes.

While the 'Solar Sponge' is not intuitive as a concept, it was adopted into their vernacular by the second session as it was understood and memorable.

WORKSHOP STIMULUS

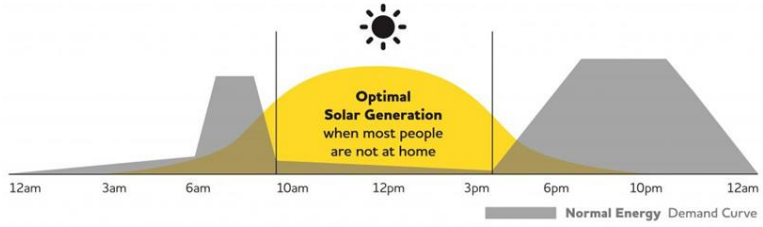
1 Stimulus 1 from workshop

Focus and objectives – SESSION 1

Focus of the session:
"The solar sponge"

Objectives of the session:
Understand how respondents respond to the idea of a "solar sponge" and what changes (if any) this may have on behaviour

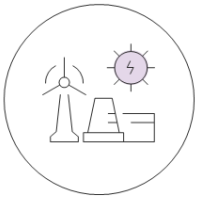
Explore if having tariff structure such as 'solar sponge' will enable customers to manage their energy usage to best suit their needs and optimize their savings (if desired)



1

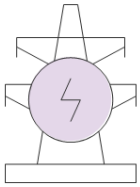
How the energy system works

Generators



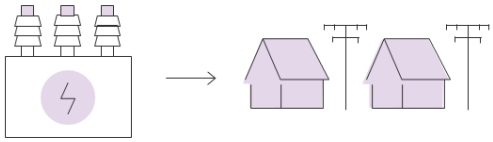
1
Electricity is created by various generators across the National Electricity Market

Transmission



2
Electricity is transported via the transmission network to the areas where it is needed

Distribution



3
Electricity enters the distribution network where it is transported to homes and businesses for consumption

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How the energy system works

Retailers then buy the energy from the distributors and sell it to us the customers–

They are the ones who send us the bill!

Retailers can decide different ways to bundle up and sell the energy to their customers

Tonight we will be talking about Tariffs that we are charged to use energy

Tariffs are basically the charges that we pay to use the service and can be structured in a number of different ways

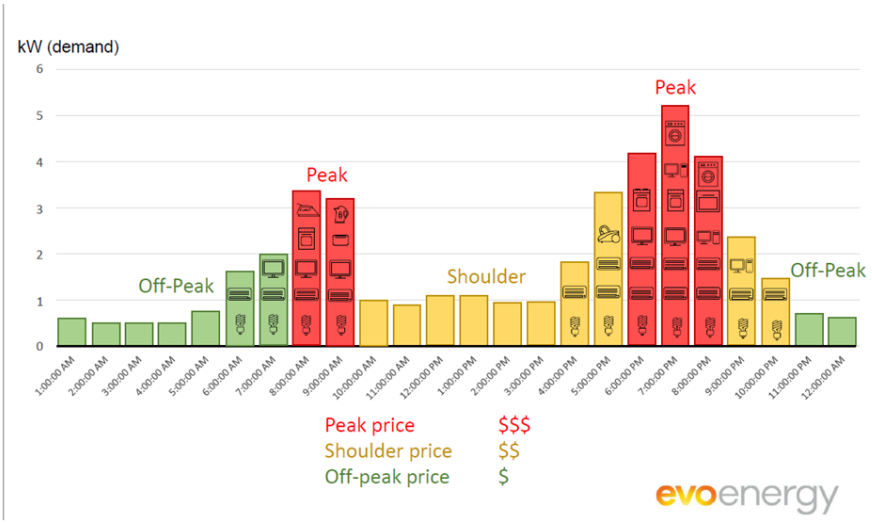
Fixed charges – applied each day, despite the amount of electricity used
Usage charges – based on the amount of electricity used

Usage charges can be fixed – E.g. no matter what time of day you turn your lights on you will be charged the same amount

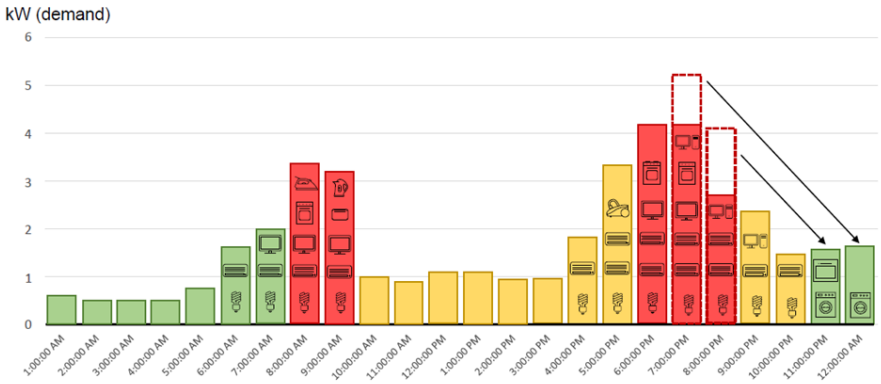
Or

Usage charges can be variable (or cost reflective) – e.g. different rates throughout the day reflecting how 'busy' the system is – you may know this as on peak and off peak rates

This is how variable (cost reflective charges) may look for a typical Canberran



As you can see, they can reduce their bill by using less energy in peak times and more in off peak



A customer can reduce their network bill by shifting load/use outside the peak period.

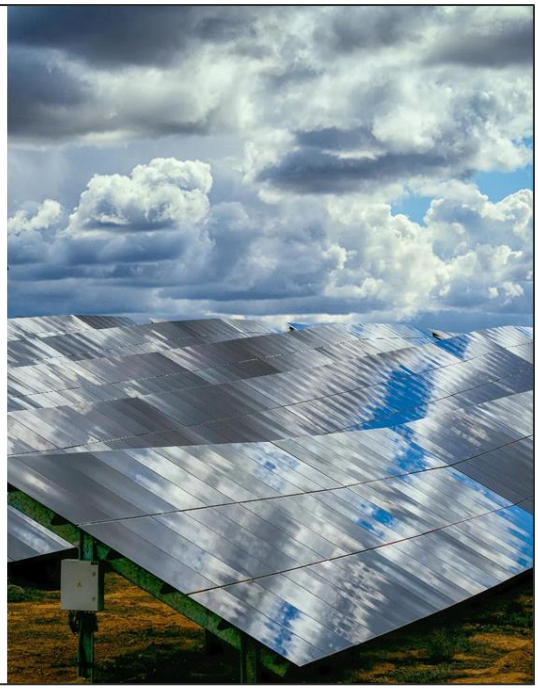
More solar energy is created than is used

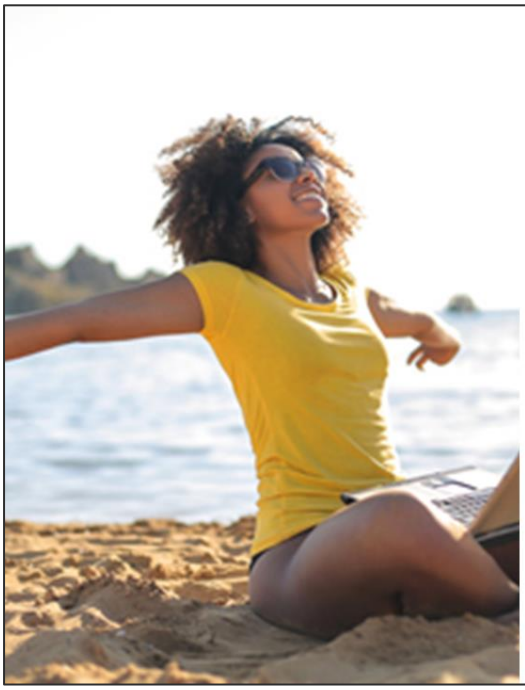
In the middle of the day, when it is sunny a lot of solar electricity is generated and gets transported into the network /grid

Often there is more energy produced than the network can handle which causes stress on the network

- Can mean shortages, outages, adversely affect appliances… quality, safety and reliability of electricity

= *Solar overload in the grid*

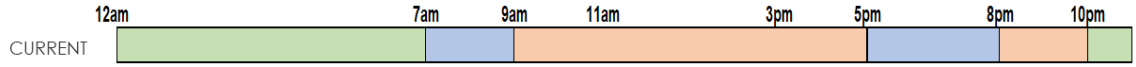




Energy distributors (Evo Energy) are looking to adapt tariffs to capitilise on the additional energy produced by solar in the day – they call it the "solar sponge"

Pollinate 8

Current electricity usage over the day for average consumers



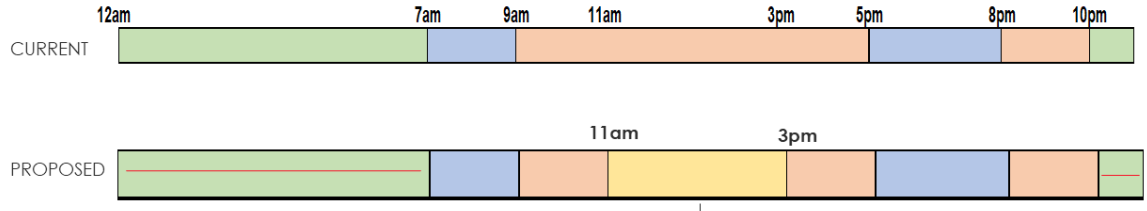
Peak
Shoulder
Off-peak

Who is aware ?
What does this mean?
Who takes this into consideration ?

Pollinate 9

During the middle of the day - when solar is at its peak – people would be incentivised to use more

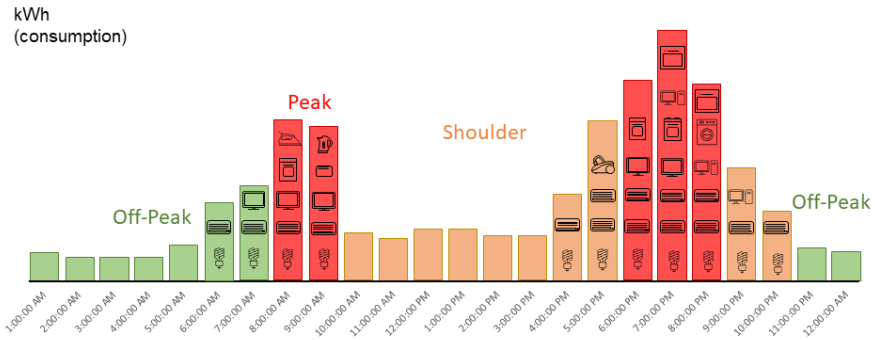
Peak
Shoulder
Off-peak



peak
shoulder
off-peak
solar sponge

Pollinate 10

Existing TOU – Indicative Annual Network Bill



Daily Fixed price	29.111c x 365 days	= $106
Peak price	19.364c x 1818 kWh	= $352
Shoulder price	10.614c x 2439 kWh	= $259
Off-peak price	5.200c x 1938 kWh	= $101

Total: $818

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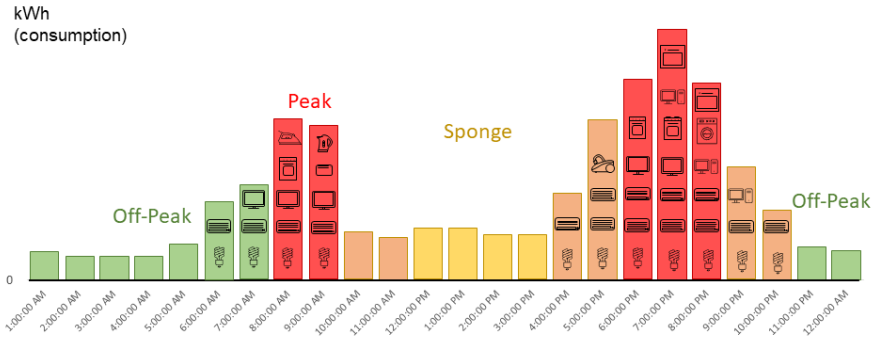
Solar Sponge TOU – Indicative Annual Network Bill



Daily Fixed price	29.111c x 365 days	= $106
Peak price	20.913c x 1818 kWh	= $380
Shoulder price	11.463c x 1389 kWh	= $194
Off-peak price	5.460c x 1938 kWh	= $106
Sponge price	4.278c x 750 kWh	= $ 32

Total: $818

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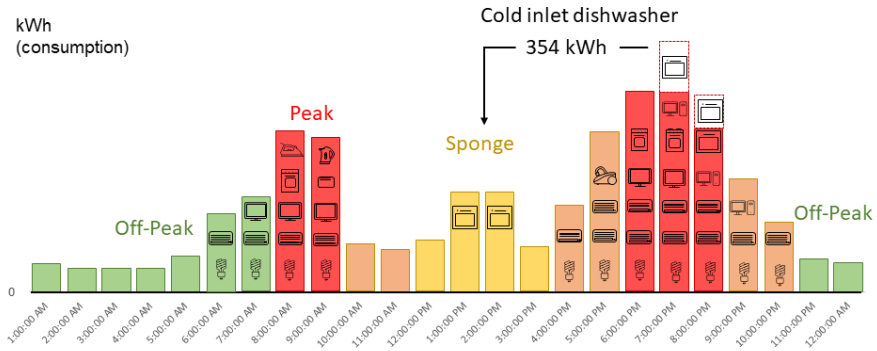
Solar Sponge TOU – Indicative Annual Network Bill



Daily Fixed price	29.111c x 365 days	= $106
Peak price	20.913c x 1464 kWh	= $306
Shoulder price	11.463c x 1389 kWh	= $194
Off-peak price	5.460c x 1938 kWh	= $106
Sponge price	4.278c x 1104 kWh	= $ 47

Before: $818
Now: $759
$59 bill reduction

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Indicative Annual Network Bill

6249 Solar customers

8553 Non solar customers

	Total Average	Average Non-Solar Customer	Average Solar Customer
Existing TOU			
Fixed	$106	$106	$106
Peak	$352	$319	$398
Shoulder	$259	$275	$237
Off-peak	$101	$82	$126
Total	**$818**	**$782**	**$867**
Solar Sponge TOU			
Fixed	$106	$106	$106
Peak	$380	$344	$429
Shoulder	$194	$191	$197
Off-peak	$106	$87	$132
Sponge	$32	$39	$22
Total	**$818**	**$768**	**$887**
Difference	***$0***	***-$15***	***$20***

Prices are set to ensure revenue neutrality

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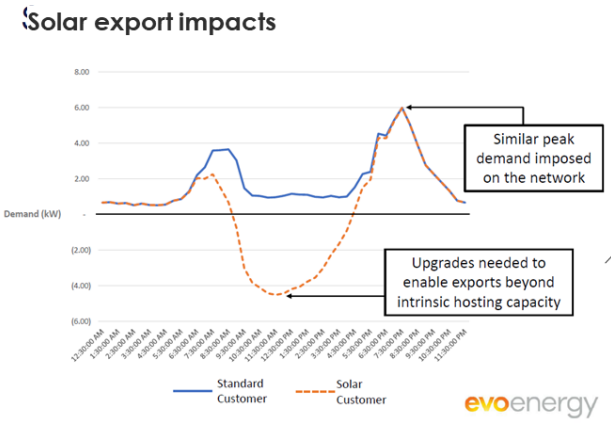
2 Stimulus 2 from workshop

Current scenario



While there is some spare capacity in the network to handle exports, in the middle of the day there is an overload on the network that incurs a cost..

Overload of export electricity going beyond 'intrinsic network capacity' causes network stress and results in a network cost

That cost in currently shared across all households whether they export electricity or not

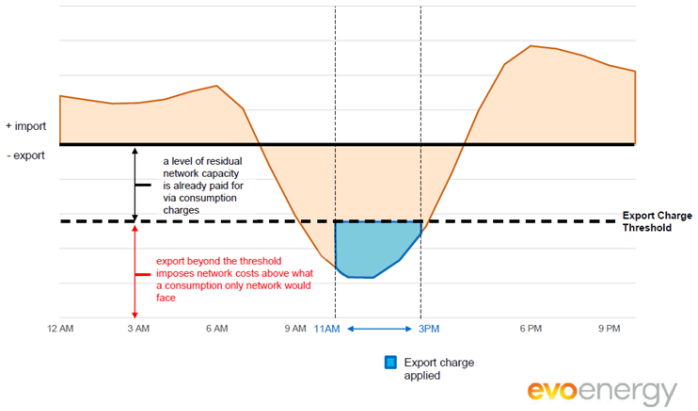
Pollinate 1

Future scenario

Households exporting electricity to the grid above a certain network threshold will be charged a small cost to export any energy = called **Export tariff**

Solar users exporting electricity will still get paid for the electricity (the Feed in tariff) from their retailer but a charge (by the network) would be applied to cover the costs of exporting electricity into to the grid network above the network threshold: the **Export tariff**

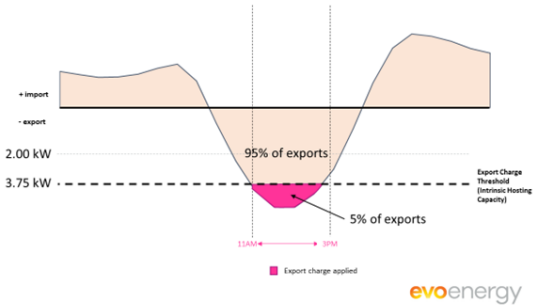
Export charge – only applied to the blue area



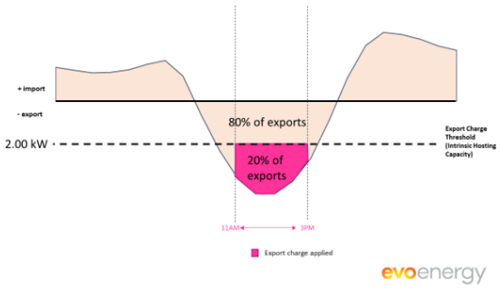
Pollinate 2

Distributors don't know the point at which costs will be charge, but have provided two possible scenarios at estimated minimum and maximum points the Export tariff will be applied

Option 1



Option 2



Pollinate 3

What this means for your bill under each scenario (people who export energy or would export energy in the future to the grid):

Intrinsic Hosting Capacity = 3.75 kW				
Average Export (kWh)	**FiT (6c per kWh)**	**Export Charge +/- $5**	**Net FiT**	**Percentage of exporting Customers**
4,604	$276	$0	$276	78%
6,956	$417	$10	$407	11%
8,091	$485	$20	$465	4%
9,621	$577	$30	$547	3%
11,169	$670	$40	$630	2%
12,385	$743	$50	$693	1%

No change for 78% of customers

Intrinsic Hosting Capacity = 2.00 kW				
Average Export (kWh)	**FiT (6c per kWh)**	**Export Charge +/- $5**	**Net FiT**	**Percentage of exporting customers**
2,471	$148	$0	$148	19%
4,223	$253	$10	$243	24%
5,574	$334	$20	$314	27%
6,799	$408	$30	$378	16%
7,635	$458	$40	$418	5%
8,579	$515	$50	$465	3%

More evenly spread

Pollinate 4

Let's use Jane as an example : Scenario 1 (3.75kw hosting capacity)

Jane currently exports an average **6,956 kWh** per year of electricity to the grid at a Feed in tariff (FiT) of **6c per kWh** (This is a low estimate as its typically between 7-8c). So, she currently gets paid **$417**

With the new scenario, at an export threshold set at **3,75 kW**, she would pay **$10** a year so is still getting back about **$407** a year in Feed in Tariffs

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Pollinate 5

Let's look at two examples:

Scenario 1 – Threshold at 3,75Kw

Jane exports an average **6,956 kWh** per year of energy to the grid at a Feed in tariff (FiT) of **6c per kWh** (So, she currently gets paid **$417**

With the new scenario, at an export threshold set at **3,75 kW**, she would pay **$10** a year so is still getting back about **$407** a year in Feed in Tariffs

Scenario 2 – Threshold at 2. KW

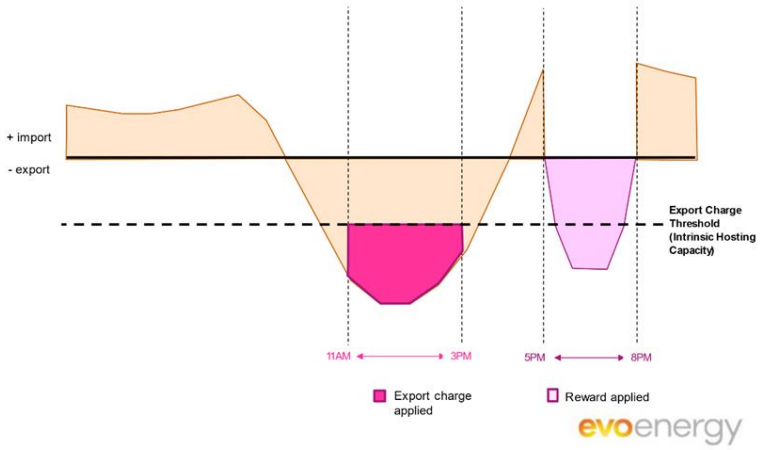
Bob exports an average **6,799** kWh per year of energy to the grid at a Feed in tariff (FiT) of **6c** per kWh . So, he currently gets paid **$408.**

With the new scenario, he would pay **$30** a year so is still getting back about **$378** a year in Feed in Tariffs

Pollinate 6

If a exporting customer can export energy during peak demand times, they would receive an **export reward**

Export charges and rewards



Pollinate 7