Australian Capital Territory

Electricity Feed-in (Renewable Energy Premium) (Normal Cost of Electricity Calculation Methodology) Guideline 2026

Disallowable instrument DI2026– 73

made under the

Electricity Feed-in (Renewable Energy Premium) Act 2008, s 6A (What is the *normal cost of electricity*?)

---

1 Name of instrument

This instrument is the *Electricity Feed-in (Renewable Energy Premium) (Normal Cost of Electricity Calculation Methodology) Guideline 2026*.

2 Commencement

This instrument commences on 1 July 2026.

3 Guideline—normal cost of electricity calculation methodology

I make the guideline for a determination of an amount to the be normal cost of electricity under the *Electricity Feed-in (Renewable Energy Premium) Act 2008*, as set out in schedule 1.

Suzanne Orr MLA
Minister for Climate Change, Environment, Energy and Water
28 May 2026

Schedule 1 Guideline to determine the normal cost of electricity

(see s 3)

A. Normal Cost of Electricity Calculation

The Normal Cost of Electricity (NCE) is calculated as:

$$NCE = SWAP_{ACT} + ICRC\ Energy\ Losses + ICRC\ NEM\ Fees$$

Where:

- **SWAP** is the ACT-specific Solar-Weighted Average Price, calculated as $/MWh

- **ICRC Energy Losses** are the Energy Losses as determined by the Independent Competition and Regulatory Commission, calculated as $/MWh

- **ICRC NEM Fees** are the National Energy Market (NEM) fees as determined by the Independent Competition and Regulatory Commission, calculated as $/MWh

B. Calculating the Solar-Weighted Average Price

The Solar-Weighted Average Price (SWAP) is calculated by multiplying the actual volume of solar exported in each 30-minute interval for a calendar year period by the corresponding wholesale spot price in the same 30-minute interval and then dividing by the total sum of all solar exports.

The SWAP for the Territory will be based on the formula:

$$SWAP_{ACT} = \frac{\sum Pt * Et}{\sum Et}$$

Where:

- **Pt** is the NSW/ACT region 30-minute interval average spot price of electricity in $/MWh
- **Et** is the ACT 30-minute interval solar exports in MWh.
- **T** is the total number of 30min periods in the calendar year period (17,520 for a non-leap year/ 17,568 for a leap year)

i. Calculating the 30-minute interval average spot prices

As the spot price data is provided in 5-minute intervals, a 30-minute average price must be determined to align with the interval periods for the solar export data. The resulting 30-minute average price for an interval will take all six 5-minute spot price values within the 30-minute interval and produce an average value.

ii. Formatting the 30-minute interval export data

As the export data is provided in kWh totals, a conversion to MWh is required to align the 30-minute average spot prices, as these are provided in $/MWh.

To convert the kWh totals to MWh, the following formula is used:

$$Export = Export\ value\ (kWh)/1000$$

Data sources:

Price data: Sourced from the Australian Energy Market Operator (AEMO) historical monthly aggregated price and demand data sets (as published at https://www.aemo.com.au/energy-systems/electricity/national-electricity-market-nem/data-nem/aggregated-data)

Export data: Sourced annually from Evoenergy, covering interval meter data relating to exports of electricity to the grid from rooftop solar sources within the ACT's geographical boundaries.

ICRC components: Sourced annually from the annual ACT Independent Competition and Regulatory Commission (ICRC) final decision on electricity cost components and published in its annual electricity price recalibration report (as published at https://www.icrc.act.gov.au/).

C. Calculating the Normal Cost of Electricity

The Normal Cost of Electricity is calculated by first determining the ACT-specific Solar-Weighted Average Price as the product of all 30-minute interval average spot prices multiplied by the corresponding 30-minute solar export volumes. This result is summed and then divided by the total amount of solar exports for the entire calendar year period to give a SWAP in $/MWh.

Inputs for Energy Losses ($/MWh) and NEM Fees ($/MWh) are then added to the SWAP result to determine the final Normal Cost of Electricity value in $/MWh, which is then published via a notifiable instrument under s 6A (2) of the *Electricity Feed-in (Renewable Energy Premium) Act 2008* as a c/kWh value.