

**From:** Hunt, Liam  
**Sent:** Tuesday, 1 June 2010 4:37 PM  
**To:** Committee, ECA (SEN)  
**Subject:** Solar Shop Australia Pty Ltd joint submission's response to Question on Notice from Senate Committee Inquiry Hearing May 28 2010

ATTN: Senate Standing Committee Environment, Communications and the Arts Legislation  
RE: Solar Shop Australia Pty Ltd joint submission/evidence to the Hearing into Renewable Energy (Electricity) Amendment Bill 2010 [Provisions] and associated Bills;

Dear Madam Chair,

Please find below our joint submission's response to the Question on Notice and clarifying remarks that respond to claims made subsequent to our appearance at the Committee Hearing on 28 May 2010. Please note at the time of supplying this email no Question on Notice from Senator Boswell had been received.

**Response to Question on Notice from Senator Milne:**

**Question:**

**“Senator MILNE—**I will put it on notice, just to ask if someone could comment to the committee in writing on the timetable for the phase-out of the multiplier, both as it currently stands and with your proposed changes. What would be ideal?”

**Response:**

As provided in our original submission we have offered a phase-out mechanism which is shown in *Table 2: Comparison of yearly staggered reductions for multipliers*. Please find a copy of the table below for reference.

	Current System Multiplier	Maximum Phantom RECs Created	Proposed System Multiplier	Max Phantom RECs Created system
Year	#RECS Z3	Per 1.5kW installed	#RECS Z3	Per 3kW installed
2010	5	120	3	120
2011	5	120	3	120
2012	4	90	3	120
2013	3	60	3	120
2014	2	30	3	120
2015	1	0	2	60
2016	1	0	2	60
2017	1	0	1	0

*Table 2: Comparison of yearly staggered reductions for multipliers*

There was some question as to the additional phantom RECs created under our proposed phase-out compared to the current multiplier from year 2012 to 2016.

We would like to reiterate that our proposed scheme will mean that 120 phantom RECs will be created when a 3kW is installed, which means 60 real RECS will be created compared to 30 under

the current Multiplier mechanism. In-fact if a person installs a 1.5kW system under our proposed mechanism only 60 phantom RECs will be created, therefore, releasing less phantom RECs on the Market for the same installed capacity of Solar PV. When you compare 1.5kW to 1.5kW the numbers are staggeringly different (SeeTable 3).

	Current System Multiplier	Maximum Phantom RECs Created	Proposed System Multiplier	Max Phantom RECs Created system
Year	#RECS Z3	Per 1.5kW installed	#RECS Z3	Per 1.5kW installed
2010	5	120	3	60
2011	5	120	3	60
2012	4	90	3	60
2013	3	60	3	60
2014	2	30	3	60
2015	1	0	2	30
2016	1	0	2	30
2017	1	0	1	0

*Table 3: Comparison of yearly staggered reductions at 1.5kW of installed capacity under both multipliers*

We have extended the phase-out of the scheme by two years compared to the current multiplier to ensure the industry has the stability needed. This phase-out is likely to give the industry the necessary time needed to ensure another scheme is not needed to support consumers with the upfront purchase price of solar power systems. This is of course is dependent on appropriate feed-in tariffs remaining in place either via the states or preferred, through a National Gross Feed-in Tariff scheme.

While what we have outlined is our preferred or ideal scenario, we would be willing to negotiate so it is more in line with the phantom RECs created under the current scheme.

In terms of a changeover from the five times multiplier to the three times multiplier we would envisage that it would happen from January 1 2011 in line with the other changes proposed to the legislation in the Renewable Energy (electricity) Amendment Bill 2010.

#### **Clarifying remarks on our evidence and submission:**

In addition to our submission we understand there were comments made about there being no evidence of systems being offered to consumers at no cost or “free”. In order for the Committee to make a real judgement on this issue please find below (and attached) evidence of systems that have been offered for free from as early as May 6 2009 (under the SHCP rebate) and more recently systems being offered free under the Solar Credits scheme (1.5kW in Zone 2).

#### **Free solar power systems offers:**

The first example of a system being offered at no cost to the consumer was aired on A Current Affair 6 May 2009 – a month prior to the end of the \$8000 rebate which was axed prematurely by the Minister as the program overheated.

[http://www.youtube.com/solarshopaustralia#p/u/19/sV\\_t6FU4nPk](http://www.youtube.com/solarshopaustralia#p/u/19/sV_t6FU4nPk) (Attachment: NewsAlert - Wednesday, 6 May 2009 20:04).

From this point the industry saw other operators offering systems at no cost to the consumer under the SHCP Rebate in similar offers to this one in the marketplace (Attachment: Sunsavers Invoice for

No Cost System.pdf) and were still doing so as recently as May 2010 (Attachments: Solaris \$0 16052010.jpg, Nationwide Solar Free Solar November 2009.jpg, EcoSmart Free Solar Power System November 09.jpg)

In addition to this, due to the cost reductions as outlined in our submission, suppliers were able to supply systems at less than the \$8000 SHCP rebate and were encouraging them to switch providers with cash/gift cards. (Attachment: 3275 [SH] Don Burke FPC 2.pdf) *Note: Sunsaunders.com.au is a subsidiary of Solar Shop Australia.*

**As was outline in our submission it is now possible for systems to be offered at no cost to the consumer under the current solar credits scheme. Attached are a brochure (ZINC NSW Sales pack 1001.pdf) and a print out of website that contains a free offer (<http://www.nuenergy.com>.pdf) in NSW (Zone 2).**

Another issue is a suggestion at the hearing that the Department of Climate Change had not been provided evidence of systems being offered to consumers for free. Attached is an email trail between Solar Shop Australia managing director, Adrian Ferraretto, and Ms Shayleen Thompson of the Department of Climate Change (Attached: Re: RET Changes [Sec = UNCLASSIFIED:NO CAVEATS]). As you can see in the attachment we had specifically made Ms Thompson aware that systems were once again, in our opinion, available to consumers at no cost (Free) under the Solar Credits Scheme as early as 13 May 2010, two weeks prior to the Senate Hearing on Friday 28 May 2010.

Mr Liam Hunt, communications manager of Solar Shop Australia followed this up with Ms Thompson via phone on 1 June 2010. Ms Thompson has defended the position stated in the hearing as the fine print on brochure supplied, in particular clause 5.4, lists a number of surcharges which may apply to the homeowner. She also stated that a system cannot be supplied for “free” as there are subsequent charges needed to connect the system to the main Electricity Grid. With that the case she stated that there is no definitive proof of systems being offered for free (We attach sunsaunders\_Invoice\_for\_no\_cost\_system.pdf as an example of this occurring). The fact remains that systems are being offered to consumers at no cost, albeit an ideal situation and excluding the meter charges (which is supplied from a different party at a cost ~ \$400 - \$500) and therefore a reality.

In essence this issue comes down to policy and what the aim of the government program is. The question that needs to be asked is “Does the government wish to 100% subsidise the installation of small solar power systems, or worse, inadvertently provide a scheme which enables suppliers to pay consumers to install a system?”

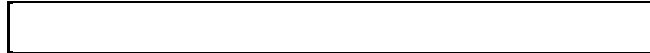
Our proposed change to the multiplier is likely to see an appropriate number of RECs (be it phantom or real) on the market produced from Small Scale Renewable Energy Systems, but see a higher percentage of RECs that are attributed to actual renewable energy. It also has the potential to see larger systems installed which is a better outcome for the consumer and better outcome for the environment. Most importantly it will remove systems being offered at low or no cost to the consumer. This will ensure that the installation standards remain optimised and that the industry can move away from boom-bust cycle, securing the industry, securing jobs and increasing Australia’s renewable energy capacity.

On behalf of the joint submission number 24 we thank you for taking the time to read this extra information and we look forward to the Committees report.

Regards,  
**Liam Hunt, Communications Manager**  
**Solar Shop Australia Pty Ltd**

**From:** NewsAlert@mediamonitors.com.au [mailto:NewsAlert@mediamonitors.com.au]  
**Sent:** Wednesday, 6 May 2009 8:04 PM  
**To:** Hunt, Liam  
**Subject:** NewsAlert - Wednesday, 6 May 2009 20:04

To view this Broadcast NewsAlert online, please [click here](#).



Liam Hunt - Solar Shop Australia



**Channel 9 (National Australia)**  
**A Current Affair - 06/05/2009 - 06:43 PM**  
**Tracy Grimshaw**  
**Executive Producer Mr Darren Wick**

Shopper Squad report to help families cut their gas, electricity, and hot water costs. Solar panels are being fitted to Terrence Hope's roof for free. Those whose household earns less than \$100,000 a year are eligible for \$8000 from the Fed Govt towards the installation of a new solar power system. NU Energy CEO Simon Schauble says they can give people free power as their system costs \$8000. Christopher Zinn from CHOICE magazine says electricity is the most expensive and it is not clean energy. Gas is cheaper and can offer good savings, but it is limited to cooking and heating. Solar is clean and green, and it is now cheaper with the rebate covering set-up cost. However, there are hidden costs of solar power systems. **Adrian Ferraretto**, managing director of **Solar Shop** Aust, says solar panels come with a 25-year guarantee. He recommends getting name brand solar panels such as BP, Sharp, **Kaneka** or Sanyo.

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**Interviewees:** **Adrian Ferraretto**, managing director, **Solar Shop** Aust; Christopher Zinn, Spokesperson, CHOICE; Simon Schauble, CEO, NU Energy; Terrence Hope, homeowner

**Duration:** 4:09

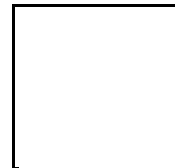
**Summary ID:** M00034599910

#### Demographics

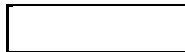
Male 16+	140541
Female 16+	175539
All People	316080
ABs	36168
GBs	171595

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Demographics are supplied by OzTam, AGB Nielsen Media Research, Nielsen Media Research and Research International NZ. (\*) indicates unknown spelling or phonetic spelling.

# News & Events

## Moree - information sessions for free solar system from Nu Energy

Friday 28th May, 2010 - Saturday 29th May, 2010

### Sign up for a free solar system at Moree Max Convention Centre.

**Where: Moree Max Convention Centre, Balo St, Moree NSW 2400**

**When: Friday 28 May 12-8pm**

**Saturday 29 May 10am-4pm**

### Free\* 1.5kW solar PV system fully installed on your home.

If you live in the following Zone 2 postcodes: 2386-2388, 2390, 2397, 2398, 2400, 2405, 2406, 2411, 2821, 2830-2834 and 2880, Nu Energy is offering residents and businesses the opportunity to sign up for a free\* 1.5kW solar power system with standard installation. The installations will take place from 1 August 2010 through to 28 February 2011.

### How can we offer free\* solar?

Under the Australian Government's Renewable Energy Target (RET) scheme, Moree is in Solar Zone 2: a high solar area. This offer will allow you to take advantage of Moree's high solar factor and help you save on your energy bill and reduce your carbon footprint. Installing a solar power system is a good way to manage your ongoing power costs. In exchange for a free\* 1.5kW solar power system with standard installation from Nu Energy, each household or business must transfer their government allocated renewable energy credits (RECs) to Nu Energy.

### Will there be any additional costs?

Households and businesses must pay an upfront deposit of \$100 when they sign up for Nu Energy's 1.5kW solar power system and standard installation. This \$100 is refundable if customers do not cancel their agreements. Additional costs may be incurred depending on the building materials used.

### What does standard installation mean?

A standard installation means the solar panels can be installed on a pitched tin roof of a single storey house with adequate space. The minimum space required to install the panels is 8 metres wide.

### Who will be installing the Nu Energy solar power systems?

All installations will be carried out by licensed electricians who are accredited by Business Council for Sustainable Energy through the Clean Energy Council. Nu Energy is also hoping to recruit local electricians and tradespeople who can also help install the new solar power systems.

We're one of Australia's leading solar companies. Nu Energy is an Australian-owned solar company that's been providing renewable energy solutions for Australian businesses and homes since 1985. We've installed more than 15,000 solar systems throughout Australia and are members of the Clean Energy Council. Nu Energy's high quality solar PV systems all meet Australian Standards (AS NZS5033 and AS4777) and come with a 25 year panel efficiency warranty<sup>^</sup>, 5 or 10 year inverter manufacturers' warranty<sup>^</sup>

and a 12 month installation warranty on the workmanship^.

We'd love to see the people of Moree show the rest of Australia how they can save on their energy bills while saving the environment. But unlike the sun this offer won't last. So, call us today on 1300 768 225 and turn your home solar for free.

\*Eligibility is subject to terms and conditions including charges for non-standard installations. Visit [nuenergy.com.au](http://nuenergy.com.au) for details. ^All warranties subject to limitations set out in terms and conditions. NUE Pty Ltd t/a NU Energy ABN 81 107 122 154. NSW electrical licence 203090C.

- [Site by Icon.Inc](#)

## NSW Zone 2 Special Offer\*

Dear Valued Customer,

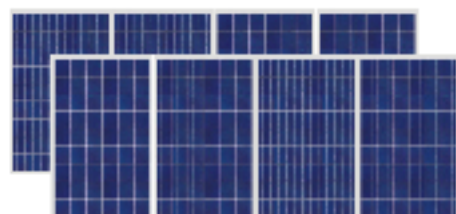
There's never been a better time to go solar with Nu Energy. You can take advantage of the extremely generous feed-in-tariffs and save on your electricity bills as well as reduce your carbon footprint. With our latest offers, we are sure we will be able to provide you with high quality solar products at a price to suit your budget.

[We sound Nu but we've been around for years.](#)

Nu Energy has been installing solar in Australian homes for 25 years. We not only guarantee our workmanship, our panels also come with a 25 year efficiency warranty. So, like the sun, we plan to be around for the long term.

### Extraordinary Solar Package

1.5 kW Solar System



Dimensions	
single row	8.0m x 1.5m
double row	4.0m x 3.0m
weight	160kg

8 x 190 Watt solar modules by QSE (1,520 Watts Total)

1 x AEROSHARP 1.5 kW Inverter

This system fully installed from **\$0\***

\*This offer requires upfront payment of a \$100 deposit, this deposit will be fully refunded within 60 days of completion of installation. The \$100 deposit is non-refundable if the agreement is cancelled by You under clauses 5.6 or 15.4 of the terms and conditions. Please see attached

[Everything you need to go solar is in this application pack.](#)

Please complete the following pages and return the entire pack to Nu Energy either by fax or post, including:

- Nu Energy Solar PV Order Form
- Signing Page, including your deposit payment advice (you can pay via credit card or by cheque)
- Site Assessment Questionnaire
- The full version of the Terms and Conditions version 20100505 ZINC

Fax: (03) 8678 1390

Post: Nu Energy Customer Service  
Suite 11/10 Lakewood Boulevard  
Carrum Downs Victoria 3201

[We're all about simple, sustainable solar.](#)

We hope more Australians take a leaf out of your book and help preserve the environment. If you have any questions, please call us on 1300 768 225 or visit our website [www.nuenergy.com.au](http://www.nuenergy.com.au) so you can start making a difference today.

Yours sincerely,

Terry Andrews  
General Manager Sales

**NSW Zone 2 Special Offer\***

Please return this form with your order

**Nu Energy Solar PV Order Form**NUE  
Ref# **Agent 1001**

## Your Details

First name

Last name

Installation address

Suburb

State

Postcode

Postal address

Daytime Contact number

Email address

Order details - I would like to secure my order for (tick):

☐ 1.5kW solar system with an Aerosharp Inverter

## Deposit Payment Details

I have enclosed the following as method of payment (tick one):

☐

Credit card details

☐

Cheque made payable to Nu Energy

This offer requires upfront payment of a \$100 deposit, this deposit will be fully refunded within 60 days of completion of installation. The \$100 deposit is non-refundable if the agreement is cancelled by You under clauses 5.6 or 15.4 of the terms and conditions. Please see attached

Signature to authorise order:

Signed

Print Name

Date

dd / mm / 20yy

Please fax or post this order form, your payment and the signed terms and conditions page to:

Nu Energy Suite 11/10 Lakewood Boulevard Carrum Downs VIC, 3201. Fax: (03) 8678 1390



## NSW Zone 2 Special Offer\*

### Please return this form with your order

#### NU ENERGY SOLAR POWER AGREEMENT ZONE 2 SPECIAL OFFER SIGNING PAGE

(New South Wales Zone 2 only\*)  
NUE Pty Limited, Contractor Licence number 203090C

By signing below You acknowledge that You have received, read and understood, and that You agree to be bound by the terms and conditions of the Agreement (the NU Energy Solar Power Agreement Zone 2 Special Offer, version 20100505 ZINC) together with the special offer set out below, and that You have received and agree to the quotation for the Solar System with the capacity as set out below.

1.5 kW SOLAR POWER SYSTEM	<input type="checkbox"/>	For the purposes of clause 6.1 of the NU Energy Solar Power Agreement Zone 2 Special Offer You acknowledge receipt of the following quotation (being the Quote as defined under the Agreement) for the supply and installation of a 1.52 kW Solar Power System:	Deposit (including GST): \$100	Payment Amount* (including GST): \$0 for standard installations	Total amount* You must pay to NU Energy (including GST): \$0
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This offer requires upfront payment of a \$100 deposit, this deposit will be fully refunded within 60 days of completion of installation. The \$100 deposit is non-refundable if the agreement is cancelled by You under clauses 5.6 or 15.4 of the terms and conditions. Please see attached

#### Please complete this checklist:

Is the work to be undertaken covered in the contract, and any drawings or specifications?	Yes	No
Does the contract clearly state a contract price or contain a warning that the contract price is not known? (see clause 5)	Yes	No
If the contract price may be varied, is there a warning and an explanation about how it may be varied? (see clauses 5 and 15)	Yes	No
Are you aware of the cooling off provisions relating to the contract? (see clause 5.6 and clause 8.5)	Yes	No
Is the deposit within 10% for work costing \$20,000 or less or 5% for work costing more than \$20,000? (see clause 6.3)	Yes	No
Is the procedure for variations understood? (see clause 5)	Yes	No
Are you aware of who is to obtain any council or other approval for the work? (see clause 14)	Yes	No

#### Signatures

Do not sign this contract unless you have read and understand the clauses as well as the notes and explanations contained in this document.

If you have answered "no" to any question in the checklist, you may not be ready to sign the contract.

Both We and You should retain an identical signed copy of this contract including the drawings, specifications and other attached documents. Make sure that.

I/we have completed the checklist and answered "Yes" to all items on it.

Where You are a company or partnership or the contract is to be signed by an authorised agent of the owner, the capacity of the person signing the contract, e.g. director, must be inserted.

Signed \_\_\_\_\_ Print Name \_\_\_\_\_ Date dd / mm / 20yy \_\_\_\_\_

I authorise NUE Pty Ltd (trading as Nu Energy) to debit the amount indicated above on my:

Visa ☐ Mastercard ☐

Cardholders name \_\_\_\_\_ Expiry date \_\_\_\_\_

Card number                 Security number \_\_\_\_\_

Signed \_\_\_\_\_ (The last 3 numbers located on the back of the card)

\*Subject to amendment in accordance with the terms of the Nu Energy Solar Power Agreement Zone 2 Special Offer. +This Signing Page, including the quotation contained with it, and the Nu Energy Solar Power Agreement Zone 2 Special Offer is only applicable to Premises located New South Wales Zone 2 and within postcode ranges 2386-2388, 2390, 2397, 2398, 2400, 2405, 2406, 2411, 2830-2834 and 2880.

## NSW Zone 2 Special Offer\*

Please return this form with your order

### Site Assessment Questionnaire

Your assistance is appreciated in informing us of the particulars of your site. Your answers assist us in planning the installation of your solar power system. If you have any questions regarding how to answer any of these questions, please phone us at Nu Energy on 1300 768 225. We are here to help. Please circle your answers below.

#### Roof Aspect

Please consider the roof section that you believe experiences the most sunlight throughout the day. Which direction does this roof face?

West      NorthWest      North      NorthEast      East

#### Roof Space

Do you believe there is enough space on your roof to fit the solar panels?

Yes

No

To have the panels side by side in one row you need about 8m x 1.5m

To have them in two rows, one above the other, you need about 4m x 3m

#### Building type

What type of building would you like the system installed on?

House

Shed

Garage

Other \_\_\_\_\_

#### Is there a switchboard on this building?

Yes

No

#### Does this building have a heritage overlay?

Yes

No

#### How many storeys is this building?

Single

Double

Other \_\_\_\_\_

(+\$200 extra for buildings more than one storey)

#### How old is the roof?

< 10 yrs

11 - 20 yrs

>21yrs

#### What material is the roof made of?

Metal

Tile

Other \_\_\_\_\_

(+\$198 extra for tiled roof)

#### What is the pitch (angle) of this roof?

<10°

10°- 30°

>30°

An average Australian sloping roof is pitched between 10° - 30°

(+\$415 extra for a tilt frame if your roof is <10° or >30°)

#### Shading issues

Does your selected roof experience shade?

None

Morning

Afternoon

All day

#### Electrical retailer (optional):

Please list the company to which you pay your power bills

\_\_\_\_\_

#### NMI Number (optional):

\_\_\_\_\_

Your electricity meter will have a unique National Meter Identifier (NMI) allocated to it. You will find this number on your electricity bill.

## NSW Zone 2 Special Offer\*

Please return this form with your order

NU ENERGY SOLAR POWER AGREEMENT  
ZONE 2 SPECIAL OFFER TERMS AND CONDITIONS

(This Agreement is valid only for offers made and accepted between 7 May 2010 and 31 May 2010 for Premises eligible under NU Energy's Zone 2 Special Offer)

NU Energy Pty Limited ABN 81 107 122 154

Current as at 5 May 2010 – Version 20100505 ZINC

## 1 Meaning of words in this document

- (a) \$ means Australian dollars;
- (b) **Additional Installation Charges** means the additional charges as assessed and notified to You under clause 5.6;
- (c) **Agreement** means this agreement between You and Us comprising these terms and conditions and the signing page;
- (d) **Australian Government** means the Federal Department of Environment Water, Heritage and the Arts, the Australian Greenhouse Office, the Office of the Renewable Energy Regulator, or any equivalent Australian Federal or State Government Department;
- (e) **business day** means a day on which banks are open for general banking business in Your State or Territory (not being a Saturday, Sunday or public holiday in that State or Territory);
- (f) **Deposit** means \$100 payable by You and fully refundable by Us, subject to clause 8, pursuant to clause 6.3;
- (g) **Energy Trading Certificates** means any energy certificates that arise by reason of the supply of the Goods under Australian Federal, State or Territory law, including but not limited to all Renewable Energy Certificates;
- (h) **force majeure** means anything beyond Our control or in consequence of which We are hindered in performing Our obligations and includes strike, trade disputes, fire, accidents and supply, import or export delays and adverse weather conditions;
- (i) **Goods** means a 1.5kW photovoltaic system as set out in the Quote;
- (j) **GST** has the same meaning as in the *A New Tax System (Goods and Services Tax) Act 1999*;
- (k) **Nominated Output** means the expected output for the solar panel as nominated by the manufacturer;
- (l) **Payment Amount** is the monetary amount described in clause 6.1 as amended under clause 5.6 to include any Additional Installation Charges, and does not include the Deposit;
- (m) **Amended Payment Amount** is the monetary amount that is the total of any Additional Installation Charges that may become payable under clauses 5.4 and 5.6 at the time of installation which have not been charged up until this point.
- (n) **Photovoltaic Rebate Program** has the same meaning as in the *Renewable Energy (Electricity) Regulations 2001*;
- (o) **Premises** means Your principal place of residence or commercial or other premises;
- (p) **Program** means the Solar Homes and Communities Plan, the Renewable Remote Power Generation Program and the National Schools Solar Program, each of which is defined in the *Renewable Energy (Electricity) Regulations 2001*;
- (q) **Quote** means the quotation described in clause 6.1;
- (r) **Renewable Energy Certificates** has the same meaning as in the *Renewable Energy (Electricity) Act 2000* (C'th) and includes any other certificate, right or entitlement of a similar nature which arises under legislation;
- (s) **Signing Page** means the page of this Agreement executed by You that indicates that You have read and agree to be bound by these Terms and Conditions;
- (t) **Site Assessment Questionnaire** means the questionnaire supplied to You in the application pack that contained this Agreement;
- (u) **Small Generation Unit** has the same meaning as in the *Renewable Energy (Electricity) Regulations 2001*;
- (v) **Solar Credits Amount** means the market value of the rights to Renewable Energy Certificates for Small Generation Units under regulation 20AA of the *Renewable Energy (Electricity) Regulations 2001* as applicable to Zone 2 on the date of entry into this Agreement, as determined by Us as may be payable under clause 15;
- (w) **Solar Credits Discount** means the discount offered by Us to You on the basis of the Warranties given under clause 15 and on the basis that the supply and installation under this Agreement is eligible for the multiplier of Renewable Energy Certificates for Small Generation Units under regulation 20AA of the *Renewable Energy (Electricity) Regulations 2001* as applicable to Zone 2;
- (x) **Standard Installation** means an installation on a pitched tin, corrugated iron or Colorbond roof of a single storey house with adequate available space (i.e. 8m width);
- (y) **Us/We** means NU Energy Pty Limited and **Our** has the corresponding meaning;
- (z) **You** means the person who enters into this Agreement with Us and **Your** has the corresponding meaning;
- (aa) **Zone 2** has the same meaning as in the *Renewable Energy (Electricity) Regulations 2001* (C'th) as amended from time to time (presently set out at: [www.comlaw.gov.au](http://www.comlaw.gov.au)) respectively;
- (ab) **Zone 2 Special Offer** means the offer made by Us for orders made between 7 May 2010 and 31 May 2010 to Premises located in Queensland and New South Wales Zone 2 and within postcodes 2386-2388, 2390, 2397, 2398, 2400, 2405, 2406, 2411, 2830-2834, 2880, 4417, 4423, 4427, 4428, 4454, 4455, 4461, 4462, 4465, 4467.

## 2 What constitutes the Agreement

This Agreement represents the entire agreement between You and Us for the supply, installation and purchase of the Goods.

## 3 When the Agreement is formed

- 3.1 The Agreement exists between You and Us once We receive the Deposit and one copy of these terms and conditions properly executed by You on the Signing Page. Payment of the Deposit is evidence of Your agreement to be bound by the Agreement.
- 3.2 If Your Premises are not located in the postcodes prescribed at clause 1(bb) You are not eligible for the Zone 2 Special Offer and any Agreement executed by You will be cancelled.

## 4 What each party agrees to do

- 4.1 We agree to supply the Goods and provide a Standard Installation at the Premises in consideration for You:
- (a) paying to Us the Deposit;
- (b) assigning to Us, subject to clause 7.2, all Your rights to receive all Energy Trading Certificates that arise in connection with the entry into this Agreement including by reason of the supply and/or installation of the Goods at the Premises; and
- (c) properly and accurately completing all documentation necessary for Us to effect the assignment referred to in clause 4.1(b) and for Us to receive the benefit of any Commonwealth or State or Territory rebate in connection with the supply and/or installation of the Goods at the Premises.
- 4.2 You agree that where the special nature of the Premises means that a Standard Installation is not possible Additional Installation Charges as assessed and notified under clause 5 are payable by You.
- 4.3 You authorise Us to use the Deposit for the procurement of the Goods.

## 5 Site inspection and Additional Installation Charges

- 5.1 We will rely on Your representations in responding to the Site Assessment Questionnaire concerning the nature of the Premises and Your eligibility for certain discounts, government offers, and rebates in calculating the Payment Amount.
- 5.2 Despite clause 5.1, We may conduct a site inspection of the Premises in order to confirm Your representations, and in that regard:
- (a) You grant permission to Us and Our employees, contractors and/or agents to enter the Premises where the Goods are proposed to be installed and commissioned, at any reasonable time; and
- (b) You agree to ensure that You are present at the property for such site inspection, installation and/or commissioning, when and as reasonably required by Us or Our employees, agents and contractors.
- 5.3 Our inspection does not relieve You of Your responsibility to ensure that Your representations referred to in clause 5.1 are correct.
- 5.4 You acknowledge that We may determine that Additional Installation Charges may be applicable if, because of the special nature of the Premises, the physical installation of the Goods presents Us with complexities or difficulties, or if, at the time of installation of the Goods at the Premises, any changes have occurred at the Premises since the site inspection or that are contrary to Your representations referred to in clause 5.1 that in our sole and absolute discretion increase the installation cost.
- (a) The Additional Installation Charges referred to in clause 5.4 include, but are not limited to, the general nature of the charges in the Table below, and will depend on the conditions of the Premises

Description	1.52 KW system
Tile roof	\$198 (incl. GST)
Build frame (including labour) on flat metal roof	\$415 (incl. GST)
Double storey dwelling	\$200 (incl. GST)
Split array – due to building space on the roof	\$300 (incl. GST) per split
Horizontal fixing of array	\$450 (incl. GST)
Lifting and access equipment	Price on Application
Heritage overlay - cost of moving inverter	\$200-\$250 (incl. GST)
Cathedral Ceilings	\$300 (incl. GST)
Travel charge (for Premises located in Zone 2 more than 125 km and less than 250 km from the General Post Office in Broken Hill, Dubbo, Moree, Narrabri, Roma and Walgett)	\$220 (incl. GST)
Travel charge (for Premises located in Zone 2 more than 250 km from the General Post Office in Broken Hill, Dubbo, Moree, Narrabri, Roma and Walgett)	Price on Application (approximately \$1/km)

- 5.6 If We determine that Additional Installation Charges are applicable under clause 5.4 We will provide you with an amended Quote with an Amended Payment Amount that includes these Additional Installation Charges by notice in writing, and You may either proceed by paying the Amended Payment Amount, or You may cancel the Agreement by notice in writing to Us within 5 days from the date You receive notice of amended Quote from Us before installation commences.

## 6 Security and Payment

- 6.1 You agree that at the time of entering into this Agreement We have provided You with a quotation of the amount that must be paid by You in order to secure the supply of the Goods.
- 6.2 Without detracting from clause 5, You acknowledge that the Payment Amount is calculated by Us on the basis of Your eligibility for certain discounts, government offers, rebates as set out in the Quote, and that We may change the Payment Amount as a result of changes to these discounts, offers or rebates. For example, the Commonwealth Government might change the eligibility for certain Energy Trading Certificates, and that may result in You not being eligible to receive Energy Trading Certificates in the expected quantity, or at all.
- 6.3 You agree to pay Us the Deposit at the time of entering into this Agreement. We will fully refund the Deposit within 60 days of completion of installation.
- 6.4 You agree to pay Us the Payment Amount (or the Amended Payment Amount if clause 5.6 7.2 or 15.4 applies) on or before the day of installation of the Goods at the Premises (or on demand if clause 15.4(c) applies).
- 6.5 Subject to clause 6.7, all amounts payable under this Agreement may be made by bank cheque, money order, cash, debit card, credit card or direct deposit, and will be accepted as made when We receive cleared funds.
- 6.6 If Your debit card or credit card is declined by Your financial institution, or if Your cheque is not honoured on presentation, We may, in Our absolute discretion, decide to accept an alternative method of payment from You and may collect from You payment of any bank charges that We must pay as a result.
- 6.7 We may decline to accept payment from You by cheque, credit card or debit card for any reason, and We are not required to give reasons.

## 7 Assignment of Energy Trading Certificates to Us

- 7.1 If clause 7.2 does not apply:
- (a) upon entering into the Agreement, You unconditionally undertake to assign and are deemed to have assigned to Us any rights to or rights to create Energy Trading Certificates that may exist or arise in relation to the Goods;
- (b) You agree that valuable consideration in the form of a point-of-sale discount has been provided to You by Us in exchange for You assigning to Us the rights to or rights to create Energy Trading Certificates;
- (c) You irrevocably agree to complete and execute for the benefit of NU Energy any documents, contracts, or papers reasonably necessary to give effect to this assignment; and
- (d) You unconditionally undertake not to otherwise deal with Energy Trading Certificates or a right relating to Energy Trading Certificates that may exist or arise in relation to the Goods, including but not limited to the supply and installation of the Goods at the Premises.
- 7.2 At the time of entry into this Agreement, You may elect to retain any right or rights to create Energy Trading Certificates referred to in clause 7.1 by providing Us with notice in writing and the Payment Amount or Ame will be increased by the value of the Solar Credits Discount as determined by Us, and We will provide You with notice in writing of the amount of the increase, being the Solar Credits Amount, and the amended Payment Amount.

## 8 Cancellation

- 8.1 We may cancel this Agreement by reason of any factor or factors that may arise after the date of its execution which was or were outside our control or that we did not anticipate, including but without limiting the generality of the foregoing where changes are made by the Australian Government to legislation and/or programs that reduce the value of any benefits We expected to receive as at that date.
- 8.2 Subject to clause 8.3, if the Agreement is cancelled under clause 3.2 or 8.1 We will refund to You the Deposit within 90 days of the cancellation of the Agreement.
- 8.3 If We cancel the Agreement because We consider that You have failed to comply with this Agreement, You will have to pay any associated costs (including, but not limited to, legal costs on

## NSW Zone 2 Special Offer\*

### Please return this form with your order

- a solicitor and own client basis) and costs associated with delivery or the partial installation of the Goods if relevant, and We may set-off any amount owed by You to Us against the Deposit to the extent allowed by law.
- 8.4 If You cancel the Agreement under clauses 5.6 or 15.4 We will retain the Deposit;
- 8.5 You may cancel this Agreement by notice in writing to Us within 5 days from the date You enter into this Agreement.
- 8.6 If You cancel this Agreement under clause 8.5 or We cancel this Agreement under clause 8.1 We will refund to You the Deposit within 90 days of the cancellation of the Agreement.
- 8.7 You may not cancel, or otherwise terminate the Agreement or revoke any authority given under it after We certify that the installation of the Goods has commenced.

#### 9 Installation

- 9.1 We will use our best endeavours to supply and install the Goods between 1 August 2010 and 28 February 2011. Failing this you may cancel this Agreement by notice in writing to us and we will refund the Deposit and the Payment Amount with interest calculated at the rate of 17% per annum from the date of receipt of payment.
- 9.2 We take care to ensure that the Goods are installed by competent, trained and insured installers.
- 9.3 All care is taken by Us in selecting installers of the Goods, but no responsibility is taken for any loss, cost or damage incurred by reason of any act or omission of the installer.
- 9.4 You grant permission, and all necessary and reasonable access, to Us and Our employees, contractors and/or agents to enter the Premises to install the Goods at any reasonable time.
- 9.5 You agree to ensure that You are present at the Premises for the installation and/or commissioning of the Goods, when and as reasonably required by Us or Our employees, contractors and/or agents.

#### 10 Warranty applicable to the Goods

- 10.1 Subject to mandatory warranties imposed by law, We will, at Our absolute discretion, either repair or replace (at Our option) the Goods if they fail, or the part of the Goods that We consider has failed only in the following cases:
- (a) cases in which any solar panel installed as part of the Goods fails to perform to at least 90% of Nominated Output, but only where the failure arises and is notified to Us within 10 years of the date the Agreement comes into effect;
  - (b) cases in which any solar panel installed as part of the Goods fails to perform to at least 80% of Nominated Output, but only where the failure arises and is notified to Us within 25 years of the date the Agreement comes into effect;
  - (c) cases in which any solar panels installed as part of the Goods fail as a result of defects in materials or workmanship, but only where the failure arises and is notified to Us within 5 years of the date the Agreement comes into effect;
  - (d) cases in which the inverter installed as part of the Goods fails as a result of defects in materials or workmanship, but only where the failure arises and is notified to Us within 5 years of the date the Agreement comes into effect; and
  - (e) cases in which the Goods fails as a result of failures in workmanship in the installation of the Goods, but only where the failure arises and is notified to Us within 12 months of installation.
- 10.2 Except as provided in the Agreement, all express and implied warranties, guarantees and conditions under statute or general law as to merchantability, description, quality, suitability or fitness of the Goods for any purpose or as to design, assembly, installation, materials or workmanship or otherwise are expressly excluded to the extent permitted by law. We will have no responsibility or liability for any damage or injury to persons or property, for economic loss, or for any other loss resulting from any cause whatsoever arising out of or related to the Goods, including but not limited to, any defects in the Goods, or from the use or installation of the Goods.
- 10.3 The warranties provided in clause 10.1 will not apply to any Goods that have been subjected to:
- (a) misuse, abuse, neglect or accident;
  - (b) alteration, improper alteration or reinstallation by You or any other person;
  - (c) non-observance with use and maintenance instructions;
  - (d) repair, modification or repositioning by anyone other than a service technician approved by Us in writing;
  - (e) power failure, power surge, lightning, flood, fire, accidental breakage or other events outside of Our control;
  - (f) the type or serial number of any part of the Goods being altered, removed or made illegible.
- 10.4 If the Goods are installed in conditions which are different to the conditions under which the manufacturer assessed the Nominated Output, then the Nominated Output for the purposes of clauses 10.1(a) and 10.1(b) will be adjusted downwards by a factor which reflects those differences.

#### 11 Risk and title

- 11.1 Risk in the Goods passes to You by reason of delivery of the Goods to the Premises or the presence of the Goods at the Premises.
- 11.2 Title to the Goods passes to You on completion of the installation of the Goods, the completion of the documents required for the assignment of all Energy Trading Certificates to Us and the completion of all documentation required for the payment to Us of any Commonwealth or any State or Territory rebate, and payment in full of the Payment Amount and any Solar Credits Amount to Us.

#### 12 Availability and supply of the Goods

- 12.1 If at the time of the Agreement, the Goods are not available they will be supplied by Us when available, and We will not be liable to You to make good any damage or loss whether arising directly or indirectly as a result of any ensuing delay in the supply and installation of the Goods.
- 12.2 You acknowledge that NU Energy retains the right to substitute the Goods for like goods and that as such the Goods are subject to change without notice.
- 12.3 You expressly acknowledge that Our agreement to supply and install the Goods in consideration of the payment of the Payment Amount and any Solar Credits Amount to Us has been determined on the basis of bulk orders being made by multiple customers.
- 12.4 You expressly acknowledge that We may not commence shipments before receiving minimum bulk orders of the Goods, and that this could cause some delay.
- 12.5 You further acknowledge that delays may be caused as a result of the time which may be taken by Us or Our contractors in performing site assessment.
- 12.6 Time will not be of the essence for any supply and installation, and any times or periods quoted for supply and installation of the Goods are estimates only, imposing no contractual obligation.
- 12.7 We shall not be liable to You to make good any damage or loss whether arising directly or indirectly out of the delay in supply and installation.

#### 13 Power grid connection, meter installation and feed-in tariffs

- 13.1 You acknowledge that although We may assist in arranging for the Goods to be connected to the main grid and for installation of the meter at the Premises, the agreement to undertake that connection and installation is an agreement between You and Your electricity retailer and/or distributor.
- 13.2 The costs and risks of that connection and installation are not included in any way in this Agreement.
- 13.3 You acknowledge that We have:

- (a) provided no guarantee that You will be accepted into any State or Territory feed-in tariff scheme or that You will receive feed-in tariffs; and
- (b) recommended that You make independent enquiries in relation to Your eligibility for, and the operation of, any feed-in tariff schemes.

#### 14 General

- 14.1 This Agreement constitutes the entire agreement between us. Any oral representation, warranty or promise whatsoever (other than those contained in this Agreement) made by any employee, contractor or agent of Ours to You does not form any part of the Agreement nor the consideration for or basis of any collateral contract.
- 14.2 Without limiting clause 14.1, You acknowledge that any information or representation provided by Us or by any employee, contractor or agent of Ours in relation to any renewable energy feed-in tariff or other government program, whether provided before or after the formation of the Agreement are based on information obtained from government sources and are subject to change. We recommend that You make Your own enquiries in relation to all relevant renewable energy feed-in tariff or other government program.
- 14.3 Failure by Us to insist on strict performance of any term, warranty or condition of the Agreement will not be taken as a waiver of it or of any rights We may have.
- 14.4 No waiver will be taken as a waiver of any subsequent breach of any term, warranty or condition.
- 14.5 In the event of a "force majeure" event We will be entitled either to rescind the Agreement (without being liable for damages) or to extend the time for performance by a reasonable period of not less than the duration of such event, and all liability under this Agreement, including liability for damage whether specified or otherwise, shall be modified or adjusted accordingly.
- 14.6 Any clause or part clause of this Agreement which is illegal, void or unenforceable, will be ineffective to the extent only of such illegality, voidness or unenforceability, without invalidating the remaining clauses of this Agreement.
- 14.7 This Agreement is subject to the NU Energy Privacy Policy, available at [www.nuenergy.com.au](http://www.nuenergy.com.au).
- 14.8 The Agreement is deemed to be made in the State of Victoria and is to be construed in accordance with the laws of Victoria, Australia.
- 14.9 You must not use or deal with any intellectual property (including, but not limited to, copyright, including copyright in the Agreement, patents and trademarks) owned or licensed by Us without Our prior written consent.
- 14.10 We may assign Our rights and obligations under this Agreement at any time without notice to You, but You may not assign Your rights and obligations under this Agreement.
- 14.11 The parties can amend this Agreement or any contract incorporating this Agreement only by a written agreement of the parties that identifies itself as such an amendment. However We can amend this Agreement unilaterally in response to regulatory changes. Any variation of the these Terms and conditions or any plans and specifications to be done under the contract (including variations) are taken to form part of these Terms and Conditions.
- 14.12 If We have omitted or do omit to state that a particular advertised cost, amount payable, or quotation of any kind is inclusive of GST, or if it is expressed to be exclusive of GST, then it does not include GST and that will be added automatically to that cost, amount payable or quotation and You must reimburse Us on demand.
- 14.13 Interest will accrue at the rate of 12% calculated daily on any amount outstanding under this Agreement from time to time.
- 14.14 It is Your responsibility to determine whether you require any approvals from any governmental authority for the installation of the Goods.
- 14.15 Rights and obligations under this Agreement continue after, and do not merge, at the time of supply and installation.

#### 15 Solar Credits Discount and customer warranty

- 15.1 The Quote is given on the basis that the Solar Credits Discount applies to the supply and installation of the Goods.
- 15.2 If clause 7.2 does not apply, You will be taken to have accepted the Solar Credits Discount and to be bound by this clause 15 if You accept the Quote.
- 15.3 You undertake and warrant that, as at the date of this Agreement and continuing until installation of the Goods is completed and You have complied with Your obligations summarised in clause 4.1:
- (a) You (and no other person or entity) have not received pre-approval or approval for financial assistance, nor is there any funding agreement in force, under any Program, in relation to the Goods; and
  - (b) You (and no other person or entity) have not applied for, received or had approved any financial assistance under any Program or under the Photovoltaic Rebate Program in respect of any Small Generation Unit including but not limited to the Goods at the Premises; and
  - (c) the Goods will constitute the first Small Generation Unit installed at the Premises, (collectively 'Warranties').
- 15.4 If, in breach of any of the Warranties, the Solar Credits Discount does not apply to the supply and installation of the Goods:
- (a) The Payment Amount is increased by the value of the Solar Credits Discount as determined by Us, and We will provide You with notice in writing of the amount of the increase, being the Solar Credits Amount, and the amended Payment Amount.
  - (b) If installation has not taken place, then You must pay Us the Solar Credits Amount on demand, failing which we may cancel this Agreement under clause 8.1.
  - (c) If installation of the Goods has been completed and You have paid Us the Payment Amount before You were notified of the Solar Credits Amount, You must immediately pay to Us the Solar Credits Amount, failing which We may enter the Premises and remove the Goods during business hours on giving written notice of Our intention to do so, or so that We may recover the value of the Solar Credits Amount from You as a debt immediately due and payable, at Our sole option.

#### 16 Notices

- 16.1 Any notice to be given by a party under this Agreement must be in writing and may be given to the other party by hand delivery, prepaid post, or facsimile addressed to the other party at its last known address or facsimile number or as specified by the other party.
- 16.2 Any notice given under this Agreement is deemed to have been received by the person to whom it was sent:
- (a) in the case of hand delivery, upon delivery;
  - (b) in the case of prepaid post, three days after dispatch; and
  - (c) in the case of facsimile, upon completion of successful transmission.



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Don Burke

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Did you know you're allowed to switch solar panel suppliers?

That's right. The Department of the Environment, Water, Heritage & the Arts permits pre-approved applicants to switch installers provided the installer is accredited\*.

At no cost to you, Sunsavers can supply and install fully warrantied Suntech panels (top selling panels in Europe) and SMA German engineered inverters backed by a national network of accredited installers. We can even help you with your existing supplier.

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1 The \$1,000 gift card is only available to customers that have been pre-approved for the \$8,000 Solar Rebate [by the Department of Environment, Water, Heritage and the Arts.]. Proof of your pre-approval must be provided to [Sunsavers.com.au](http://Sunsavers.com.au). 2. Your ability to switch supplier may be affected by any existing agreement you have entered into with them. You are solely responsible for ensuring that you can legally cancel, and for properly cancelling (including by paying any cancellation or termination fees), any pre-existing agreement. 3. Once you have properly cancelled any existing arrangements, you will be eligible for the gift card. Once you have entered into a contract with Sunsavers for the supply of a 1kw solar system you will receive your \$1,000 gift card. Full terms and conditions for this contract are available at [www.sunsavers.com.au](http://www.sunsavers.com.au) or by calling us. 4. The gift card will be delivered to you during December 2009. 5. Offer closes at 5 p.m. (EST) on 30 November 2009. 3275SH (IS)

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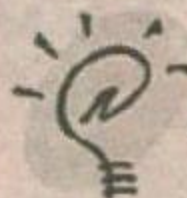
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**From:** Ferraretto, Adrian  
**Sent:** Thursday, 13 May 2010 9:49 AM  
**To:** Thompson, Shayleen  
**Cc:** Raether, Robert; Balmano, Sarah; Jende, John; Hunt, Liam  
**Subject:** RE: RET Changes [SEC=UNCLASSIFIED:NO CAVEATS]

Hi Shayleen  
Here is some evidence of FREE solar systems.  
We received a copy of this offer yesterday.

Regards  
Adrian

**From:** Ferraretto, Adrian  
**Sent:** Friday, 7 May 2010 11:10 PM  
**To:** 'Thompson, Shayleen'  
**Cc:** Raether, Robert; Balmano, Sarah; Jende, John; Hunt, Liam  
**Subject:** RE: RET Changes [SEC=UNCLASSIFIED:NO CAVEATS]

Hi Shayleen

When it comes to future panel pricing, I am able to provide third party international consultant reports all of which are indicating the continuation of PV price reduction in the short, medium and long term. Let me know if this is of interest and I can send to you,

Here is historical pricing for the PVRP/SHCP program.

Year	Rebate	Rebate Amount	1kW Net Price	1.5kW Net Price
2000	PVRP	\$8,250 (1.5kW)	\$6,700	\$10,000
2001	PVRP	\$7,500 (1.5kW)	\$8,500	\$12,500
2002	PVRP	\$7,500 (1.5kW)	\$8,500	\$12,500
2003	PVRP	\$4,000 (1kW)	\$9,000	\$13,000
2004	PVRP	\$4,000 (1kW)	\$9,000	\$13,000
2005	PVRP	\$4,000 (1kW)	\$9,000	\$13,000
2006	PVRP	\$4,000 (1kW)	\$9,000	\$13,000
2007	PVRP	\$8,000 (1kW)	\$5,000	\$9,000
2008	SHCP	\$8,000 (1kW)	\$5,000	\$9,000
2009	SHCP	\$8,000 (1kW)	FREE	\$3,500

The question is where do you want to position net pricing for a 1.5kW system under the new RET?

My modelling shows that a 1.5kW system will be FREE within 12 months under the RET.

It would be good to build a sustainable Solar Credits scheme under the new RET and extremely important to avoid FREE systems.

With 5x multiplier combined with 1.5kW, we have all of 2011 to give away free systems.

20,000 systems per week were given away in the dying days of the SHCP

Under Solar Credits, that would equate to 12 million RECS per month or half a billion dollars a month.

My advice as outlined in the previous email is 3x RECS for a 3kW system.  
Under this scheme, pricing for 2011 is estimated to be:

	Gross Price	# RECS	Net Price
1.0 kW	\$6,000	60	\$3,600
1.5 kW	\$8,000	90	\$4,400
3.0 kW	\$15,500	180	\$8,300

Happy to meet or talk any time about this any time.  
Adrian

**From:** Thompson, Shayleen [mailto:Shayleen.Thompson@climatechange.gov.au]  
**Sent:** Wednesday, 5 May 2010 2:23 PM  
**To:** Ferraretto, Adrian  
**Cc:** Raether, Robert; Balmano, Sarah; Jende, John  
**Subject:** RE: RET Changes [SEC=UNCLASSIFIED:NO CAVEATS]

Hi Adrian

Thanks for your email. It was good to meet you yesterday. As I advised yesterday, the Government is not proposing to change the Solar Credits arrangement at this stage.

I noted your points about the size of the systems and Solar Credits. On the cost of panels, I said that some in the industry have advised us that panel costs are likely to rise while others take a different view.

As your presentation showed, state based feed in tariffs as well as Commonwealth and state grant programs also contribute to overall government support for solar panels that means that some installers are able, as you say, in some cases to offer them for a very low price (or for free).

Another point that is relevant to this issue is the policy intent behind the Solar Credits arrangement. Solar Credits was intended to replace the Solar Homes and Communities Plan, which only provided support to smaller systems for household use.

As I also advised at the conference yesterday, we are working with ORER and the CEC to examine safety and performance issues for the RET and the department's solar programs including with respect to standards.

I hope this information is helpful.

Regards – Shayleen

Shayleen Thompson  
First Assistant Secretary  
Strategies and Coordination Division  
Department of Climate Change

**From:** Ferraretto, Adrian  
**Sent:** Tuesday, 4 May 2010 8:43 PM  
**To:** Thompson, Shayleen  
**Subject:** RET Changes

Hi Shayleen

I presented today after you at the CEC conference.

I am writing to you to voice my concerns on the 5x multiplier.

The current 5 x 1.5kW multiplier is too generous and will ultimately lead to systems given away for free.

The entry level cost for installing PV needs to be lifted well above giving it away for free so consumers and the industry see the real value of the products.

There have been dramatic improvement in the manufacturing of photovoltaic panels and inverters in the past 18 months which has lead to reasonable cost reductions.

Under the current Solar Credits multiplier, in Zone 3 (Sydney, Perth, Brisbane, Adelaide) it is nearly possible to give away 1.5kW solar systems for free.

For evidence of this trend, [check out these prices from a solar installer](#).

You mentioned today that solar panels prices are going up. My PV panels are still going down in price and are forecast to continue to do so.

When close to free systems happen again, it will again result in a massive surge in demand as was experienced in the dying days of the Solar Homes and Community Program's \$8,000 rebate (SHCP) which saw 60,000 households signing up for a solar system in just a few weeks.

This scenario would be unsustainable for the industry and could lead to a situation where there are numerous start-up smaller companies who install inferior systems that do not meet Australian Standards.

More boom and bust.

Current Australian Standards are appropriate for the industry and the way to rectify this would be to ensure that the multiplier is changes as proposed below.

#### **PROPOSED MECHANISM**

Current System – In Zone 3, 120 additional RECS are created for a 1.5kW system. A 1.5kW system will usually create 30 RECS and when multiplied by five under Solar Credits, an additional 120 RECS are created.

Proposed System – In Zone 3, 120 additional RECS are created for a 3.0kW system. A 3.0kW system will usually create 60 RECS and when multiplied by three under a Proposed Solar Credits, an additional 120 RECS are created.

This is a fair approach as It maintains the same level of assistance albeit requiring a 3kW system to be installed instead of a 1.5kW.

A 3kW system is generally considered big enough to power an entire home whereas a 1.5kW is usually too small to do so. 1.5kW - More like a system for your shed. But who cares if it's free.

A 3x multiplier up to 3kW will mean that free solar systems will be left in the past along with the SHCP.

This will create a fair and stable industry and not go back to the boom-bust recent past which left consumers and industry with an uncertain future.

The table below compares the number of RECS for the current and proposed mechanisms in Zone 3.

Importantly, the smaller PV systems attract less RECs under the proposed scheme.

System Size	1.5kW with x5 multiplier	3kW with x3 multiplier
	#RECS	#RECS
1.5 kW	150	90
2.0 kW	160	120
2.5 kW	170	150
3.0 kW	180	180
3.5 kW	190	190
4.0 kW	200	200
4.5 kW	210	210
5.0 kW	220	220

This model will encourage consumers to install larger systems. Historically, the solar industry has seen consumers want to maximise their incentive, but reluctant to go any further. Under the SHCP the solar industry saw the majority of systems sold around 1kW. Under the current Solar Credits we are seeing majority of systems sold around 1.5kW. We could expect that the average system size will increase up to the 3kW mark under the proposed scheme as consumers maximise their incentive.

The average system size of Australian solar power systems installed (around 1.5kW) is remarkably lower than international comparisons like Japan who are averaging over 3kW per installation. It is imperative that Australia increases the average system size so that we don't face the risk of an unsatisfied public that have solar power systems installed that.

Thank you for your time and I look forward to hearing from you.

Kind regards,

**Adrian Ferraretto**  
**Managing Director**  
**Solar Shop Australia Pty Ltd**



Sunsavers.com.au

122 Mooringe Ave  
North Plympton  
SA 5037

sunsavers.com.au

Tax Invoice

A.B.N. 62 136 842 254

Tax Invoice #: 00001273

Bill To:

System Order Number SH1399

Invoice Date 23/06/2009

All accounts must be paid prior to installation or a \$500 rebooking fee applies  
\* If you are having difficulty paying please email us on the address below  
accounts@sunsavers.com.au or phone 08 8377 6700 Mon - Fri 9:00 - 5:00

Quantity	Item Number	Item Description	Cost of Units	Units	Discount	Item Amount	Tax
6	STP175	Suntech STP 175S-24-Ac Panel	\$697.19	1		\$4,183.15	GST
6	FrameStd	Standard aluminium array frame	\$77.46	1		\$464.77	GST
1	SB-1100	SMA	\$2,475.04	1		\$2,475.04	GST
1	PNLKIT	Panel Kits Frames	\$330.04	1		\$330.04	GST
1	Labour	Installation Labour	\$1,320.00	1		\$1,320.00	GST
-1	REC45	Renewable Energy Cert Credit x 21	\$773.00	1		-\$773.00	GST
-1	SHCP	\$8,000 Government Rebate	\$8,000.00	1		-\$8,000.00	GST

#### What happens now?

Firstly a big THANKYOU! From all of us here at Sunsavers.com.au for choosing us as your preferred supplier of solar power systems.

There are three more steps to getting your solar power system installed on your roof none of which you need to worry about as our staff will be handling the entire process for you.

Step 1: We will contact you once we receive your deposit to arrange meter change paperwork

Step 2: We arrange to have your meter changed to a new smart meter, you will be contacted to arrange a time for this to occur.

Step 3: Installation occurs by our licensed installers, this takes approximately 2-2.5 hours. There will be a short period of time that the power is off due to the meter being changed by your electricity retailer.

COMMENT

SALE AMOUNT

\$0.00

\$0.00

GST

\$0.00

Invoice Total

\$0.00

Payments

\$0.00

Current Balance

\$0.00