To the Senate Environment Inquiry.

I fully support the Senate Environment Committee Inquiry into Renewable Energy Amendment (Feed In Tariff) Bill.

- · Changes to rebate arrangements that alter market demand have a profound impact on the entire industry.
- Our industry needs long term commitments and wants to transition from a rebate arrangement to a nationally consistent gross feed in tariff and to one that is open to all sectors, residential, commercial, industrial and government.

Thus, we urge the Australian Government to adopt a gross FIT for solar PV.

We recommend the FIT have the following features:

GROSS GENERATION – that is, the feed in tariff applies to all the electricity generated from the solar PV system NOT just the electricity that is surplus and exported to the grid.

OPEN TO ALL SECTORS and UNCAPPED– that is, the scheme applies to all sectors not just the residential market and is not capped in terms of system size or programme. Supermarkets, factories, distribution centres, libraries, office buildings, swimming pool centres, churches should all be encouraged to invest in a solar PV system and be rewarded when they do.

PAYBACK – The FIT is set at a level that will provide a payback on the capital investment within ten years.

LONG TERM – The scheme should guarantee payments for 20 years and be open to applications for 20 years

We understand that the Carbon Pollution Reduction Scheme (CPRS) is central to the Australian Government's response to achieving emission reductions at lowest cost and that the Government is further supporting renewable energy through an expanded Renewable Energy Target (RET) of 20% by 2020. However, neither CPRS or RET will adequately reward an investor for producing peak distributed energy and therefore bring forward the large scale (MW not just kW) opportunities that are emerging from the marketplace.

It is our view, solar PV gross feed in tariffs complement both of the above schemes and furthermore gross FIT's are THE policy which will deliver markets of the size to drive the maturity and sustainability of an Australian solar PV industry.

Thank you.
I agree with the above.
Regards
John Cooke
Managing Director
Independent Power Systems Pty Ltd