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Submission to the Senate Environment Committee on the Renewable Energy (Electricity) Amendment (Feed–in Tariff) Bill 2008

Australians want to be a part of the solution to climate change as soon as possible.

There is a successful revolution occurring in renewable energy in over thirty countries as a result of feed-in tariffs being established. Anyone generating electricity from solar, wind or hydro gets a guaranteed payment above the market rate to feed back into the grid over a set period of time.

A feed-in tariff reduces the payback time on such technologies and offers a return on investment. The cost is spread among all users by generating companies, whilst adding only a small amount to the average energy bill.

The situation in Germany sets a shining example. There, the introduction of the feed-in tariff system has strengthened the economy, provided a quarter of a million jobs, stimulated cutting-edge technologies and inspired intense competition. The "secret" of their success is arguably the feed-in-tariff system.

In Australia, however, we are seriously frustrated by the government's inaction, because not only do we possess the best natural resources, the necessary technology exists, and renewables have proven to be very effective when introduced with appropriate, well-designed legislation such as the Renewable Energy Amendment Bill proposed by Christine Milne.

Various communities are greatly concerned about sustainability. Pittwater High School for example is taking matters into their own hands and raising funds to install their own solar energy system. With other schools on the

Peninsula they have formed one of ten statewide “Climate Change Learning Communities”. It is time government supported these initiatives with this feed-in tariff legislation, particularly when you consider that schools could be generating energy into the grid for large slabs of time whilst they are empty. High oil prices mean that unless we encourage such diverse strategies and produce maximum renewable energy to power transport solutions such as electric vehicles and trains, many suburbs will become increasingly isolated.

Not only do feed-in tariffs help overcome some of the barriers that confront the acquisition of renewables, such as the high initial costs and the subsidies for competing energy sources that distort energy pricing, different sized installations and technologies can be catered for by using a Smart Meter, whilst simultaneously promoting innovation and increasing efficiency.

The more energy that is fed into the grid from sustainable sources, the less we need to produce by other means. Realistically Australia must choose a gross metering system that financially supports the smaller energy generator, as opposed to net metering (which subtracts usage from energy income) to ensure a fair return on each individual investment in energy production. Otherwise, why bother?

The Northern Beaches Greens believe these are the type of incentives needed to encourage companies, small businesses, individual householders and community groups to take up and expand the commercialisation of renewable energy technologies.

It has been shown that a greater reduction in carbon emissions can be achieved relatively easily within a shorter time by employing the feed-in tariff system. So in order to achieve Australia’s goals, sustainability and a reduction in greenhouse emissions, it is essential to implement the strategies presented in this Bill.

We also need a feed-in-tariff that provides a clear incentive and not some ‘band-aid’ tariff that provides only a façade for non-action. The German ‘Erneuerbare Energien Gesetz’ has proven successful in this regard. Therefore we are asking for a comparable level of feed-in-tariff, which would ensure that here in Australia we can finally catch up with the industrialized world.

We suggest that feed-in-tariffs are implemented that match those of the German ‘Erneuerbare Energien Gesetz’. The following is just an example of the feed-in-tariff for renewable energy from Solar Photo-voltaic.

Minimum tariff for Solar Photo-voltaic:

- A minimum of 45,7 Euro Cent per kWh
  - if the installation is on a building, roof or wall: up to a performance of 30 kW a minimum of 57,4 Euro Cent per kWh
- From 30 kW minimum 54,6 Euro Cent per kWh
- From 100 kW a minimum of 54,0 Euro Cent per kWh

The tariff is guaranteed for 20 years.
If we have the same tariff regulations here in Australia, we can achieve an uptake of renewable energy production in decentralized, localized units and greatly reduce our carbon emissions within the next 10 years. This is the only way to achieve the reductions required to actually deal with the problems outlined by the IPCC.

Yours sincerely,

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