

To the Senate Committee Renewable Energy (Electricity) Amendment (Feed in Tariff) Bill 2008

On behalf of the citizens of Australia mentioned in this series of comments, I fully support this inquiry and would be prepared to provide further information to any authorized body at a later date.

As an authorized inspector of PV (photovoltaic) electricity grid connected power generation systems throughout Australia for the past five years, I have spoken with several hundred system owners about their reasons for selecting such a system to be installed on their homes.

I believe that such a quantity of personal contacts is unique in Australia and the collected data should accordingly be considered authentic by any body of authority in this area of renewable energy application or regulation.

The findings from these discussions are in my opinion not surprising – the greatest majority of system owners selected a PV grid connected power system to “ do their bit” for the environment.

This comment was made by a wide variety of owners , coming from what I would conclude as a wide range of household incomes.

There were also many people of pension or near-pension age purchasing a system in the hope that they were also doing something which would reduce the level of their future household electricity costs.

There was naturally a high level of support for the upward change in rebates provided from \$4000 to \$8000, tipping the scales towards purchase for some people , but it seemed that even though the rebate change was a very positive move, there were still very many owners concerned with the long term arrangements of the system operation , for example what level of energy buy-back (in \$ per unit) would occur – how long would it take to pay back the purchase price and the like ?

Many of the owners were quite confused and concerned that such a wide variety of conditions either existed, were in negotiation, or proposed – they found it difficult to believe that each state and territory of Australia had generally different conditions or that for example, the neighbour across the road but in another state could have much cheaper electricity !

As well as the actual cost level of the feed-in or buyback tariff , the method of measurement of the electricity units can also differ from gross (or bulk) generation to nett generation (and perhaps somewhere in between), so one can appreciate the owner’s confusion.

The general consensus of the comments made seemed that a nationwide guaranteed FAIR feed-in tariff system should be introduced for all grid connected renewable energy based systems, and that the rebate system be phased out if necessary to offset the cost of the feed-in tariff proposal – of course, **both a rebate and a fair tariff scheme would be the ideal.**

The consensus also was that all of the electricity generated (i.e. gross production) by such systems should be subjected to the fair national tariff , not just the difference between generation and use (known as nett production). If owners wish to purchase a larger than normal system to offset an existing load, they too should be recognized as contributing to the environment and be allowed to use their system as a valid investment.

In summary of these comments attributed to the owners group , it would seem that the term “fairness” be of priority in this discussion area – the buyers of such systems are making what they believe is a good environmental decision , plus something that will benefit them in the future, and are only asking for fairness , consistency and a guaranteed tariff system in which to operate .

In your deliberations , please consider this as an appropriate outcome :

1. A simple nationwide, consistent and long term Government guaranteed feed-in tariff system of a level that would enable an average domestic renewable energy based grid connected system (of say 2.5kW capacity) to have a simple payback period of say 7 years as a maximum.
2. If needed to offset the revised tariff costs, phase out or reduce the existing rebate program on grid connected power systems when the new tariff structure begins.

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