



MAYOR
CITY OF RANDWICK

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July 21, 2008

Mr Derek Abbott
Ag Committee Secretary
Senate Standing Committee on Environment, Communications & the Arts
Department of the Senate
PO Box 6100
Parliament House
Canberra, ACT 2600

Dear Mr Abbott

Randwick Council submission to Save Our Solar (Solar Rebate Protection) Bill 2008

I am writing to express the disappointment of Randwick City Council and its community at the current government's decision to means test the installation of household solar panel rebates.

Randwick Council has an enviable reputation amongst local government for the implementation of meaningful energy and water saving initiatives and community education efforts. Over the past number of years we have provided our own rebates to residents for taking practical actions to save energy and water around the home, garden and school ground.

In an increasingly informed and concerned community climate, where individuals are being asked to act and to take their own steps to reduce greenhouse gas emissions, it seems hypocritical to put additional barriers in place that prevent householders from making long term investments for the future of our planet.

While setting reasonable limits for a rebate program is understandable, a household income limit of \$100,000 is likely to actively discourage those homeowners with the financial capacity and the commitment to the environment to consider installing energy and water saving devices around the home and garden.



With average Australian incomes in the order of \$55,000 per annum, the \$100,000 means test is set to automatically prevent two person households from taking the very actions you want them to take. This deterrent is amplified in light of the high upfront costs of solar panel installation as well as the lack of reasonable buyback tariffs for feeding solar generated electricity from the home back to the electricity grid.

This \$100,000 threshold is also at odds with the \$150,000 threshold being discussed as the level at which households may expect concessions under the Government's future carbon pollution reduction program.

Householders do need incentives and alternative price signals to achieve higher levels of energy and water conservation around the home and garden as a way of combating increasing emissions of greenhouse gases. They also need to have a fairly strong personal commitment and financial security to outlay amounts in the order of \$20,000 for the installation of relatively small photovoltaic systems with payback periods that in themselves are likely to further discourage solar panel installation on homes.

With the current review underway into the means testing of residential solar panel installation I would ask that you strongly consider the benefits of increasing the means test threshold for your current energy (and future water) rebate programs to \$150,000.

From Council's perspective, the current Government appears close to combining a range of appropriate policy and incentive measures capable of increasing energy and water conservation into the medium and longer term. It would be a very positive next step to announce an adjustment to the household threshold and bring it into an alignment with the threshold under consideration for the carbon reduction pollution scheme.

Please do not hesitate to contact our Manager, Sustainability, Peter Maganov, tel. 02 9399 0554 if you would like any additional information.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bruce Notley-Smith', written over a horizontal line.

Cr Bruce Notley-Smith
MAYOR