To: The Secretary Senate Standing Committee on Environment,

I write to you in order to deliver our concerns in regards to the government's decision to means test the SHCP rebate program. More importantly we would like to support the solution, a nationally unified <u>"Gross Feed In Tariffs"</u>, to what appears to be a very damaging action. A damaging action to the Solar PV industry, voter confidence, the fight against climate change and ultimately our future stability as a nation.

It is my understanding that the original rebate program for Solar PV, was put in place in order to foster and develop renewable energy industries. The importance of which has becoming blindingly obvious in the face of human induced climate change science. Movement away from non renewable polluting energy forms to renewable energy is inevitable. If Australia is allowed to fall behind in the development of such industries we will be at a big disadvantage to the rest of the world in times to come. This will be in the form of economic and environmental disadvantages. We have already lost large amounts of renewable energy technology and IP overseas, and with policy change such as we have just seen, we will continue to do so.

New industries, such as Solar PV, need long term supporting policy in place in order to grow in a sustainable and long term fashion. The industry needs confidence in government policy to develop effectively. Without this it is hard to gain investment and generate business planning practices that will ultimately see the industry prosper and become cost competitive. By implementing then removing various rebate schemes in short period's, results in a "boom-bust" industry with no confidence or ability to effectively gain a market share in energy generation.

Society and voters want to have confidence in the government on such matters concerning the environment and long term sustainability. By effectively cutting the rebate from the bulk of the population wishing to install Solar energy, this confidence has been severely compromised. As much as the industry requires it to grow, voters need long term policy supporting growth in renewable energy to feel comfortable that the government is genuine in their conviction on protecting our future.

The most effective method of developing a renewable energy industry to date is the introduction of "Feed In Tariff" structures as seen most evidently in Germany. This allows industry to put in place long term business planning and development that enables new technologies to become competitive with traditional (and often subsidised) technologies such as oil and gas.

The ACT is the first state to introduce an effective feed in tariff ("gross" rather than "net"). This needs to be mandated Australia wide with minimum twenty year guaranteed periods. The tariff needs to be open to any renewable energy generating technology that can effectively input into a grid and displace CO2 emissions at a rate comparable with Solar PV.

Many states are still a considerable period away from introducing effective "Feed In Tariffs". A Federally funded rebate scheme that supports the industry to the level prior to means testing should be re-introduced until every state has signed up to "Gross Feed In Tariffs".

In time the ETS will theoretically enable renewable energies to operate on a level playing field with fossil fuels by putting an environmental cost on CO2. In the short term ETS will not make large CO2 emitters (largely coal based generators) pay for the full amount required to offset their emissions (I believe this is called a subsidy). It would be logical to then use some of the economic windfall from rapidly exporting non renewable energy (coal and gas) to in turn subsidise our renewable energy industry to balance things out.

I would also like to appear at any public hearings of the inquiry that will be held in Perth.

Kind Regards, Alex Bruce Director Better Living Energy Solutions