



21st June 2012

Senate Economics Legislation Committee, SG.64
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

economics.sen@aph.gov.au

Dear Sir / Madam,

Re: Support for Clean Energy Finance Corporation

Recurrent Energy welcomes the opportunity to make a submission to Senate Economics Legislation Committee in relation to the Clean Energy Finance Corporation (CEFC). Recurrent Energy is a major solar developer based in North America with significant capability and track record in developing and building solar photovoltaic plants and contributing to solar policy development. We are part of the Sharp Group of Japan. We commend the Federal Government on the CEFC and wish to emphasize the importance of its role in deploying large scale solar photovoltaic (solar PV) in this country.

We view the CEFC as a key driver to stimulate the deployment of significant capacity of utility scale solar PV in Australia. Australia has a world class solar resource and has the potential to support a large and vibrant solar industry. A strong local market will provide meaningful employment opportunities and a base from which to export skills and expertise to regional markets. Utility scale solar PV is not currently cost competitive with conventional fossil fuel generating technologies. However, it is on a rapidly declining cost curve and the industry widely expects that solar PV will be competitive on a peak \$/MWh basis within the next 5-10 years, particularly as the full cost of carbon emissions are applied to fossil fuel generators. In the meantime, the CEFC has the potential to bridge the economic gap to make solar PV projects viable and contribute significantly to a cleaner mix of generating technologies.

We offer a number of comments on how we expect the CEFC to facilitate investment.

- **Independent.** The CEFC should operate as an independent financing agency for emerging low carbon technologies that have progressed beyond the research and development stage.
- **Competitive.** Capital should be allocated through competitive processes.
- **Declining cost curve.** The CEFC's objective should be to transition clean energy technologies to the major existing markets for renewable energy – namely the RET and wholesale energy markets.
- **Transparent processes.** Processes should be transparent and carried out in a timely fashion.
- **Scope of technologies.** The scope of technologies should be clean energy generation technologies and enabling technologies which are beyond the R&D stage but which are not yet financeable.

Australian Operation

Recurrent Energy has been assessing opportunities and developing projects in Australia since early 2010. Our parent company, Sharp, has conducted business in Australia for a number of decades. We employ industry professionals to assist with expediting projects as required.

We are pleased to be one of the first international solar PV developers to establish a base in Australia. With our parent support and experienced renewable energy staff, we are looking to become a leader in the Australian market.

Please don't hesitate to contact me on _____ or _____ for further information.

Yours sincerely,

Colin Liebmann
Acting Vice President, Australasia