

Submission to Senate Enquiry on Green Loans Scheme

April 7th 2010

Thank you for the opportunity to make a submission to the Senate Enquiry.

Background

I am a citizen and concession card holder who has been the recipient of the services of a **Green Loans Assessor** and as yet I have still **not received my report** from the Department.

Early in 2009 I had my house assessed for connection of Solar Panels, which was an initiative supported by the Banyule and other local Councils. At the time I believed that I was eligible for the \$8000 rebate on that scheme. Since there was still a substantial "out of pocket" amount payable for the installation of the panels I had to defer the installation until I was in a financial position to pay the balance. When I was ready the installers were very busy so I had to defer once again. By the time I actually applied I was told that scheme was no longer available and there was a new scheme under which I could apply.

One of the main reasons I wanted to install the Solar Panels under the old scheme was that I was able to retain the REC's and retire them from the system. With the new system I believe the rebate is because the supplier purchases my credits, which defeats the purpose of environmental sustainability.

When I found out about the interest free Green Loans I thought that through this loan would be able to purchase the solar panels, solar Hot Water Service and carry out other recommendations suggested by the assessor. It was suggested that I get the work done and then I would have a specific amount to apply for a Green Loan with invoices to validate that amount.

Impact of the Disintegration of Green Loans Scheme.

Personal Impact

Form what I heard; The main reason stated for the termination of the green loans component of the scheme was the lack of uptake of the green loans component of the scheme. Based on my experience, the Department was either not aware that the reports were not being sent, or conveniently ignored that fact in its public communications. I have still not received my report.

I have already invested approximately \$7,000 in purchasing energy efficient products and equipment in anticipation of receiving the Green Loan and was prepared to completely fulfil the assessment requirements investing another \$3000-\$5000. **Now that I have had to pay for this out of my savings this has placed me in financial hardship.**

The Call Centre continued to advise clients on how to obtain the loans leading to more frustration and angst. Your department is still promoting and encouraging people to have the assessments and my concern is how many other people will put themselves in financial hardship to try to do the right thing for the environment.

As far as I'm concerned the green loans component was the most powerful and attractive part of the scheme and its removal has reduced the power of whatever is to come. Maybe instead of propping up businesses the government can support its citizens to choose what businesses they want to support. It is time that the power is given back to the majority of the people rather than a selected few.

Once notice was given of termination of the scheme, loan providers ceased to offer the loans. I rang several of the loan providers listed and when I went into the ANZ bank the staff had no idea what I was talking about and suggested I check "online". The true reality may be that the loan providers did not want to provide the service as there was nothing in it for them. Maybe the loan providers could be encouraged to do something for the community instead of just their or their shareholders pockets. In my opinion there is a much bigger picture to all of this.

Recommendations:

1. Households which had assessments submitted but didn't receive a report from the Green Loans Scheme should receive the report and a limited-time opportunity to access a green loan. This would restore integrity to the scheme and provide a basis of credibility for something new to be created.
2. In lieu of the green loan, offer other financial incentives for householders to implement the recommendations of whatever scheme replaces the Green Loans Scheme.

I DO NOT require that my submission be kept confidential. I am happy to be contacted for further information.

Regards

Petra Fagan