

Senate Finance and Public Administration Legislation Committee —Supplementary Budget Estimates Hearing—October 2011

Answers to Questions on Notice

Parliamentary departments, Department of Parliamentary Services

Topic: **Solar Panels**
Question: **26**
Written **Senator Ryan**

Date set by the committee for the return of answer: 2 December 2011

In May 2011, Senator Fifield asked a number of questions about the construction of solar panels at Parliament House. The Department stated in its answer that the savings in electricity costs would be \$10,000 in the first year and “potentially” \$17,000 per year in the first five years.

- 1) Given the cost of construction for these solar panels was \$187,870.00 under contract CN381271, how many years do you anticipate it will take to cover this cost from savings in electricity costs?
- 2) Can you confirm whether the following contracts also relate to the solar panels at Parliament House:
 - a) CN404492 dated 5 July for \$18,787?
 - b) CN428178 dated 9 September for \$10,010?
- 3) CN428178 was for work completed between August and September, yet the answers to QON from the last estimates stated that “no contractor costs beyond the construction stage are anticipated”.
- 4) What further costs do you anticipate?
- 5) Do you still believe that there will be no contractor costs beyond the construction stage?
- 6) What is the total cost of construction for the solar panels on Parliament House?
- 7) How long are these solar panels set to last?
- 8) What will the savings in energy costs be over the lifetime of the panels?

Answer

- 1) Based on the final construction cost of \$205,944.78 (excluding GST), and using the same costing model as the original calculation, the payback period is estimated at around 14 years. The panels will also generate estimated savings of 55 tonnes of greenhouse gas emissions each year.
- 2) Both contract variations cited relate to the construction of the Solar Panels. Dates for the extension of contract were to allow for payment of final invoices.
 - a) CN404492 was a variation to the original contract to rectify the omission of the GST component. This had been inadvertently left out when the contract was reported.
 - b) CN428178 was a variation to the original contract to cover unforeseen integration costs such as data cabling and modifications to the electrical switchboard to meet certification requirements. This was part of the overall construction work.

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- 3) As above. Work carried out under CN428178 was part of construction. In addition, the following additional costs (excluding GST) were also incurred during construction:
 - a) \$8,025 for labour and equipment hire costs for the delivery of materials to the Senate roof on a weekend rather than a weekday;
 - b) \$240 for an alarm isolation; and
 - c) \$709.78 for updating the technical drawings for building information.
- 4) Some incidental DPS staffing costs will be incurred for monitoring and review of the pilot.
- 5) No additional contractor costs are anticipated beyond construction stage.
- 6) The construction cost for the solar panels was \$205,944.78 (excluding GST).
- 7) The solar panels are supplied with a warranty of 25 years for 80% power.
- 8) Based on 25 years' operation, the savings in electricity costs are estimated at over \$500,000.