



beyond
building

ENERGY

**Submission to Senate Standing Committee on Environment,
Communications and the Arts relating to the Solar Rebate enquiry.**

21 July 2008

Thankyou for the opportunity to make a submission on the Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008.

Our company, Beyond Building Energy, supplies and installs large numbers of residential photovoltaic systems.

Our company works primarily in the residential sector, and with mostly small – 1kw – systems because of the structure of support under DEWHA's Solar Homes and Communities Scheme, (formally the Photovoltaic Rebate Program). We are interested in seeing Australia install a wider variety of renewable energy sources, in a wider variety of markets.

We believe that a Gross Feed-in-Tariff is likely to be the best way of achieving a strong renewables sector.

If structured appropriately, a Gross Feed-in-Tariff would work across a range of renewable technologies, and work across a range of business situations rather than explicitly targeting 1kw residential Photovoltaic systems as the current scheme does.

Experience in other countries have shown these schemes as effective. I believe experience will also show that the tariffs can be phased out over time as a variety of renewable technologies reach grid-parity.

Because of this we support this bill before the senate in its general concept and goals, and in most of its detail.

We believe the structure of a Feed-in-Tariff is crucial to its success, in particular.

A "Net" Feed-in-Tariff, as currently implemented in Victoria, Queensland, and South Australia, we believe achieves very little both because relatively few customers will actually feed back significant amounts to the grid. Also under a Net FiT customers, and more importantly, financial institutions lending to the customers, cannot predict the savings to be made and so are reluctant to make the investment or loan.

So we applaud that this bill specifies, in section 34C, a "GROSS" Feed-in-Tariff where the customer receives a rebate based on "All of the electricity produced by that qualifying generator, not just the electricity which is exported to the electricity grid."

We believe it is important that an appropriate bill allows for systems scaled for the generation opportunities that we are presented in Australia. While a 2kW system might be optimum for a residential home, businesses would often be better off with larger systems.

There are also opportunities and international precedents for



installing “solar farms” . This should be considered when setting a maximum size ceiling on a Feed In Tariff. There is nothing in this bill to either set an upper limit, or to make sure that there is no upper limit imposed elsewhere.

We support that this bill, unlike the situations in most of the states, would allow for commercial installations, where generating power to be fed into the grid is the objective of the business, rather than a side-effect.

There is one point where we would suggest a change to the bill, the definition of a “qualifying generator” refers only to systems installed AFTER the passage of the act. This presumption has an unfortunate effect on the existing installation of all renewable energy in Australia. Specifically several of the customers who have approached us may be willing to consider planning, and

indeed commissioning a renewable installation, however at this time they are all holding off because of a fear that such an installation would not be able to take advantage of a future Gross Feed in Tariff. This impacts the industry as a whole.

The other area we would suggest could be improved in the Bill, would be section 34G which requires the owner of the generator to lodge a form with the Regulator. In the case of a “Retail Customer”, this is a reasonable bureaucratic hurdle for, in many cases, a relatively small amount of money.

Since the Electricity Retailer is already, or could easily, meter the production of electricity, we believe that it would be more appropriate for Electricity Retailers to automatically apply a rebate to the Retail Customer’s bill, and where necessary send the payment.

Thank you for considering this submission,

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