



**To:**  
**Committee Secretary**  
**Senate Standing Committee on Environment, Communications and the Arts**  
**Department of the Senate**  
**Parliament House**  
**Canberra**

**RE:**  
**Inquiry into the Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008**

Thank you for the opportunity to provide a supplementary submission to our previous submission (number 110).

### **Choosing an import-export (net) FiT**

We welcome the South Australian government submission (number 68) and appreciate their contribution in particular, because they were the first state in Australia to design a FiT system.

We note that their adoption of an import-export (or net) systems was "primarily because this is the configuration that existing metering arrangements give".

Queensland, although having the superior gross metering arrangements, followed the South Australian model and has stated "Consistency with other states – such as South Australia and recently Victoria – is another key reason for the Government's design of the Solar Bonus"<sup>1</sup>

### **Import-export data**

We also commend their willingness to share actual energy export data from systems in South Australia eligible for their feed-in tariff scheme.

We would note that the data is currently limited in scope to systems installed before the PVRP rebate increases in May 2007<sup>2</sup>.

As the "Inquiry into the Save Our Solar (Solar Rebate Protection) Bill 2008 [No. 2]" has found, since the 2007 budget rebate increase, the number of grid connected PV systems installed has dramatically increased (e.g. in South Australia from 1544 systems in their analysis to 3271 in June 2008<sup>3</sup>) and according to DEWHA officials since the 2008 budget means test the average size has also decreased<sup>4</sup>.

We contend the limited scope to the export data analysed has the following implications:

- Previous to the 2007 budget, households who installed PV seemed were not as motivated by the level of rebate and were likely to be more conscious of their energy use and efficiency, and on average installed larger systems to try and offset their total electricity consumption. This would involve exporting more during the day to offset

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<sup>1</sup> Correspondence from Queensland Department of Mines and Energy and the Premier of Queensland

<sup>2</sup> Attachment A in sub68 states "Scope: Installations with bi-directional metering exporting for the whole year (i.e. minimum 4 readings – No. of systems: 1544")

<sup>3</sup> <http://www.environment.gov.au/settlements/renewable/pv/pubs/installedbystate-june08.xls>

<sup>4</sup> "Over the life of the program the average size of system installed has been about 1.57 kilowatts. To anticipate your next question, since the introduction of the means test the average system installed is at approximately 1.24 kilowatts" from <http://www.aph.gov.au/hansard/senate/commtee/S11165.pdf>

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usage at night.

- Post the 2008 budget, newer PV installations of mass market 1kW systems, except in a very few cases, probably only offsets one quarter of the average households electricity consumption. This would mean that exports would be significantly lower.
- The number of systems installed in South Australia has increased by 112% (to June 2008) since their analysis making the current export data inconclusive.

In the interest of more accurate information for the Senate deliberations, covering the current higher level of rebate, we would ask the South Australian government to release all of the export data they have available for systems installed, including those since the 2007 budget which have less than 4 readings. They may also have more recent information than the 30/4/2008 ETSA export data which is almost 4 months old.

Although unfortunately this extra information won't shed much light (if any) for the systems installed since the 2008 budget, it will certainly shed much more light on the export figures since the larger rebate has been in place.

Please do not hesitate to contact us if we can provide clarification for any of the points raised.

Regards,  
Russ Holmes and Rob Farago

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