

Committee Secretary
Senate Standing Committee on Environment, Communications & the Arts,
Department of the Senate
P O Box 6100
Parliament House
Canberra, ACT 2600

14th August 2008

RE: Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008

Feed-in laws, as pioneered in Germany to great success, support the rapid and unlimited growth of the renewables sector by giving certainty to investors, guaranteeing them a market at a set price. This feed-in differs from others proposed or legislated in Australia thus far in several important ways. The four key points are:

- it is national in scope, providing a consistent framework instead of an array of different state and territory schemes;
- it covers the full range of renewable energy technologies, instead of limiting itself to solar PV;
- it pays generators for all the power they generate, instead of net power for rooftop solar on households; and
- it leaves the price guarantees, specifically targetted for each technology, out of the legislation itself, giving flexibility to the regulators to pull appropriate levers, giving extra support where necessary and reducing it where technologies are maturing.

I offer my congratulations to Senator Milne for proposing the above Bill and call on the Senate to support its passage into legislation.

I am writing as an older member of the community who has deeply held concerns for the state of the world's rapidly changing climate and it's impact on the future of sustainable life on our planet for every species. This world is all we have and we need to make every possible effort to protect its ability to sustain life by reducing our carbon dioxide and other greenhouse gas emissions as much as and as soon as humanly possible. I am also writing on behalf of members of my extended family.

We consider an effective Feed-in Tariff to be major importance. Providing an economic incentive through feed-in tariffs has been shown to have great impact in other countries, notably Germany, where installed capacity increased by up to 750 MW in both 2005 and 2006.

The major source of greenhouse gas emissions in Australia continues to be electricity generation. Victoria's emissions from stationary energy are currently 44% above 1990 levels and still rising. Emissions for 2008 are currently 1% higher than at the same stage in 2007. Therefore, a major priority is to increase the proportion of renewable energy consumed to decrease the consumption of energy generated by burning fossil fuels.

We are concerned that the legislation currently being proposed in Victoria, like that of the states of South Australia and Queensland will provide inadequate incentive for renewable energy installation by householders. Currently only the ACT is considering introducing a Feed-in Tariff scheme based on gross payment. It is time for the federal government to establish suitable minimum standards, nationwide. In order to provide an effective incentive the legislation needs to provide for a feed-in tariff that is:

- mandated at a premium price, sufficient to encourage investment in installation of the necessary technology (in Germany this is 4 times the draw down cost);
- paid on the entire output of a system via gross production metering; and
- guaranteed for at least 15 years;

Such a pricing level will achieve several objectives:

- It will address the market which fails to take into account the true value and many benefits to the electricity network (and ultimately to all consumers) which arise from the adoption of renewable energy technologies distributed within the electricity grid;
- It will complement the Government's MRET objectives and play an important role in establishing and promoting the industries needed in a carbon constrained world;
- It will provide a reasonable payback period for householders and small businesses;
- when shared over the entire network the additional cost to consumers will be minimal.

The Australian community is deeply concerned about the imminent and severe threat of climate change and is keen to see immediate and effective Government leadership and opportunities for personal action that will result in real emissions reductions and a reasonable prospect of a return to a safe climate. We therefore endorse the current bill, and look to the government to ensure that the final legislation is strong enough that it makes a significant contribution to achieving and exceeding the necessary greenhouse gas emissions cuts.

A feed-in tariff that incorporates the features mentioned above would enable cost effective action for many more people in the community and would demonstrate the kind of leadership so urgently sought.

Yours respectfully,

Naomi Aitchison

and on behalf of:

Jackie Hartnell – Mount Martha, Victoria,

Stephanie and David Mann – Rhyll, Victoria,

Juliette Rennie and Mark Farnell – Yarraville, Victoria,

Samantha Rennie – Brunswick, Victoria

Kate Ansett and Steve Fisher – Badger Creek, Victoria