



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

13th August 2008

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

C4 Healesville congratulates Senator Milne on proposing the above Bill and calls on the Senate to support its passage into legislation.

Our community supports the efforts and vision of our group. Our shire, the Shire of Yarra Ranges in Victoria, is close to fulfilling its commitment to become carbon neutral and will provide models, inspiration and support for other communities and encourage the elimination of barriers to the changes needed.

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. A major priority, therefore, is to increase the proportion of renewable energy consumed and thereby to decrease the consumption of energy generated by burning fossil fuels. We are working with our community and energy suppliers to explore how we can increase the up-take of solar and wind generation.

We consider an effective Feed-in Tariff to be of 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 each of 2005 and 2006.

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 failure 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 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.

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

Yours respectfully,

Stephen Meacher

Sera Blair

Graeme George

Paul Judd

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Peter Wadham

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for [c4 Healesville](#)

