

## **Save Our Solar (Solar Rebate Protection) Bill 2008 (No. 2)**

The Secretary,  
Senate Standing Committee on Environment, Communications and the arts.

If permitted I would like to provide a Supplementary Submission. This supports the intention of Senator Johnston in proposing this Bill.

### **Applications for smaller solar power systems are an efficient use of a household's financial resources.**

There may well be a continuation of applications for the rebate, in spite of the means test, as the terms of the rebate can represent an efficient use of a household's financial resources, when used for small solar power systems. The logic is inescapable. The terms of the rebate mean that the maximum rebate doesn't occur until a 1kWp system is installed, and that larger systems do not attract a larger rebate. So a household which installs a 1kWp system, obtains the \$8,000 rebate, at a possible use of household funds of say \$5,000. A larger system, eg the suggested desirable sized 2.0kWp, would similarly use household funds of perhaps \$15,000.

### **Smaller systems save less greenhouse gas.**

An unfortunate consequence of this is that the rebate funds buy less greenhouse gas reductions. That is, the \$8,000 rebate for a 1kWp system could result in about 1.5 tonnes reduction in greenhouse gas production, whereas the same \$8,000 rebate for 2.0kWp system could result in about 2.9 tonnes. For Australia as a whole, the larger systems provide a better benefit. Such systems could be a preferred size for use of rebate funds.

**The Government shouldn't congratulate itself on applications for 1.0kWp systems, if the removal of the means test would result in applications for 2.0kWp (or larger) systems.**

I urge the Committee to support Senator Johnston's Bill.

David Synnott