

From: Sven Stenvers [Sven@solarunlimited.com.au]
Sent: Wednesday, 22 July 2009 4:21 PM
To: Economics, Committee (SEN)

Subject: Submission to the Senate committee on the proposed Renewable Energy Target Legislation (Solar Credits).

Importance: High

To whom it may concern,

I am responding on behalf of Solar Unlimited, a Western Australian renewable energy business which is heavily reliant on federal government subsidies, grants and rebates provided for the installation of solar photovoltaic systems to residential, business and regional markets.

Solar Unlimited was established in 2007 and has quickly grown to become a leading provider of solar photovoltaic systems in Western Australia with over 1,000 systems installed representing over 1 megawatt of solar generation capacity.

Since the government's abrupt cancellation of the Solar Homes & Communities \$8,000 solar grant, our business and the wider renewable energy industry has suffered a steep decline in new business due wholly to the mismanagement by the Federal Parliament of key industry support mechanisms, namely:

1. The early and abrupt cancellation of the \$8,000 solar grant
2. No transition mechanism nor any certainty on the proposed new Solar Credits rebate legislation which was intended to replace the cancelled grant on 9 June 2009.
3. The Solar Credits, a market based rebate, has almost halved in value against the Office of the Renewable Energy Regulator's indicative value over the past month, which has the impact of potentially halving the value of the "up to \$7,500 in Solar Credits available to homes and business" announced by Minister Peter Garrett in December 2008.
 - a. This is the fault of the parliament/government to establish a sustainable framework for the operation of the above scheme, and seriously damages Australia's fledgling solar industry

Due to the failure of the Federal Parliament/government to agree on legislation, and mechanisms surrounding the above schemes and smooth transition thereof, it has seriously damaged the fledgling solar industry and dented the confidence of consumers who were considering solar powering their homes and businesses.

If the government fails to immediately pass legislation upon its resumption in August 2009 to support a sustainable Solar Credits rebate scheme, with a mechanism to underpin pricing at levels equivalent to those stated by Minister Garrett, it is placing at serious risk of failure the fledgling solar power industry in Australia, including that of Solar Unlimited, a Western Australian business which contracts or employs over 30 staff.

Regards

Sven Stenvers
General Manager



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