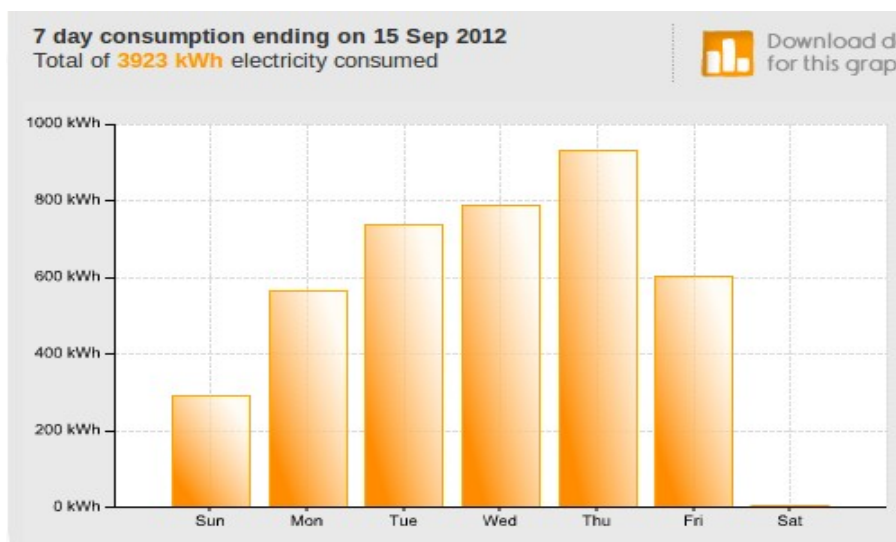


Submission to the Qld Competition Authority – Small Scale Solar PV Systems FIT

The following analysis and suggestions for future support of fair and reasonable feed in tariffs is offered for your consideration. A fair and reasonable value for locally produced solar power from PV is essential for the economic and future prosperity of Queensland.

There are many obvious, and not so obvious, benefits to producing electricity from solar PV systems. For home owners the ability to generate electricity from their own rooftop is economically sensible and has the ability to use a resource that has zero cost to the end user. Solar energy is generally available when peak electricity loads such as airconditioning, refrigeration and heating water is required. To take advantage of this low cost power therefore makes good sense. I will focus on just one benefit.

From the perspective of government and business the economic benefit of using solar is high. Peak loads mentioned above require considerable investment in power station and electricity grid infrastructure which costs many billions of dollars. Peak loads require expensive facilities that are often only used for short periods of time and often when maximum solar energy is available. To fail to take advantage of limitless solar energy is poor economics at the very least. I will give a short example.



The graph above is an example of the energy use of a nearby school. As can be seen from the graph on Thursday last week nearly 1MWh (MegaWatt/Hour) of electricity was consumed by the school. The majority was consumed during daylight hours. Nearly 4MWh was needed in the last 7 days.

Most small home solar PV arrays are exporting significant amounts of energy during these same daylight hours. In Qld there has been a very high take up of PV systems mainly due to Federal and State government subsidies *and* the support of sensible Feed in Tariffs up until very recently. *So what is the benefit to the community of this government support?* As the graph shows the energy has to be supplied from somewhere and home solar exports are greatly assisting in coping with rising demand. The exported solar power has only to travel a short distance from my home to this school. On that day my 1kWh system exported 4kWh. To provide the energy for that school alone therefore requires another 100 plus homes just like mine to run their lights, computers and airconditioning. Queensland solar home owners are actively doing their bit to make sure that this low cost power is available.

Fair and Reasonable Value for Small Scale Solar PV Exports

1. The reduced costs associated with providing expensive electrical supply during peak load periods needs to be recognised with a tariff that reflects its value to the Qld community. The feed in tariff for existing systems (44.5c/kWh) appears generous however it is actually equivalent to what is currently paid by business and industry during peak sun hours. New contributors will only receive 8c/kWh after the recent changes in July 2012. At the very least a one for one exchange of power at the retail rates would be reasonable given the benefits detailed on the previous page.
2. Recent changes to the FIT also have a negative impact on existing scheme participants. If a householder receiving the initial 44.5c FIT sells or moves to another house with solar PV installed they immediately lose the higher FIT and are forced on to the lower 8c FIT. This is very unfair to residential customers who have been instrumental in saving or delaying high cost infrastructure upgrades. Portability of tariff agreements would be 'fair and reasonable' under any new scheme.
3. While solar PV installation costs have fallen dramatically in the last 3 years, government support and encouragement for high quality, technologically advanced energy supply is in Queensland's best interest as our increasing population demands growth in electricity supply. Lower energy supply costs will only enhance Qld economic growth, employment and quality of life. Good business practises demand nothing less.
4. The bottom line for any government is to pursue policies that benefit those that have elected them as our representatives. *People* actively participating in their community is what makes our nation at all levels prosperous and productive. Solar PV systems have been popular and supported by people because they can see the benefits to future generations of using natural resources in a sensible and coherent fashion.
5. Solar PV is just the beginning of a dramatic transformation on how energy is used, produced and generated. Complementary technologies and energy efficiency will drive new business and important community productivity outcomes. We cannot fail to grasp and encourage these changes as we move forward in the 21st century.

I look forward to the Authority report and would be willing to provide additional support should it be required.

Yours Sincerely

Brian Bartlett

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15 Sept 2012