

Submission on the NSW Solar Bonus Scheme and renewable energy feed-in tariffs.

Introduction

Climate Change Australia (CCA) was established in 2006 with the following aims:

- raise awareness about climate change issues and impacts
- encourage everyone to conserve energy and water
- promote the increased use of renewable energy
- encourage all levels of government to take urgent action on climate change.

CCA congratulates the NSW Labor Government on the Solar Bonus Scheme, the most advanced scheme of its kind in Australia, and we note that the Scheme has been very successful in stimulating and under-pinning demand for photovoltaic (PV) installations on households throughout the state. Anecdotal evidence suggests to us that the accelerated take-up of PV is making a positive and quantifiable difference to electrical demand loads across the state.

We note the objectives of the Act, in relation to the current review:

- a. to encourage and support persons who want to generate renewable energy as a response to climate change;
- b. to develop jobs in the renewable energy sector by assisting renewable energy generation to compete with non-renewable energy generation;
- c. to increase public exposure to renewable energy technology in order to encourage the whole community to respond to climate change.

Our position

CCA supports the retention of a gross feed-in tariff scheme in NSW. Countries such as Germany have proved the effectiveness of a gross feed-in tariff model. Germany now has the greatest solar power capacity in the world and has generated hundreds of thousands of renewable energy sector jobs due largely to the gross feed-in tariff scheme.

Yet despite the NSW scheme leading the way Australia still lags behind, and our greenhouse gas emissions keep increasing. We support NSW continuing to lead by example, by retaining a long-term gross feed-in tariff, and we believe that a nation-wide gross feed-in tariff is warranted to stimulate faster uptake of renewable energy.

As to the rate of the gross feed-in tariff, we support a more economically sustainable level, and we believe this can be achieved through a minimum rate of twice the prevailing rate per kilowatt hour of electricity generation across NSW at any time.

This rate would provide fair compensation for the production of clean electricity by privately funded installations. The program should operate for at least 15 years and be available for systems up to 30 kilowatts.

A revised gross feed-in tariff scheme needs a net feed-in tariff option for situations where gross metering is unavailable. (Many rural installations are remote from generation and net metering can then be the more suitable option).

We support the inclusion of other forms of renewable energy, including micro hydro systems, in any revised Solar Bonus Scheme.

Conclusion

To meet its goals of lowering greenhouse gas emissions the NSW government needs individuals and small businesses to play their part. The rate of payment we propose, and the 15 year timeframe, will continue to provide incentives for individuals and small businesses, with the added benefits of creating thousands of new jobs in the clean energy sector.

ENDS

Contact details

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