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IPART

PO Box K35

Haymarket NSW 1240

Dear IPART CEO

I write to add my comments upon the IPART inquiry into the feed-in tariff from Solar PV systems into the electricity network in NSW.

I was at the ALP conference when NSW Premier Nathan Rees announced that solar PV feed-in tariff would be priced at 60c per KWH. I remember that the announcement was greeted with enthusiasm by conference delegates as it represented a chance for the industry to pull the NSW economy out of the doldrums of the GFC. Indeed Energy Australia prior to its privatisation added an extra 6c per kWh to make a total of 66c per kWh. In order to obtain that feed-in tariff our meter was replaced by a gross meter. A tariff was applied that included a peak period from 2pm to 8pm weekdays with shoulder and off-peak tariffs at other times. The peak cost was nearly 45 to 50 cents per kWh.

The net effect of such a tariff change was that my wife and I started to alter our usage hours. Christmas cakes were cooked very early in the mornings while oven roasts were done on weekends only.

Our initial installation was a 1KW system installed by Newcastle Solar.

On January 1st the feed-in tariff dropped to 6.1c per kWh with EA.

When we were paid the higher feed –in tariff, complaints were heard that all the other users had to “subsidise” the tariff. This may or not been true as I am sure that EA and other retailers did not lose money and managed to persuade the government to restrict the mandated 60c tariff, replace it with 20c and then stop all new installations receiving any tariff other than the 6.1c offered by EA and others.

I note that the price of retail tariffs dropped only once when the Abbott Government dropped the “price on carbon”. There has been a steady increase ever since even though EA was only pricing its purchases at 6.1c, a cost well below that purchased from the wholesale suppliers and that paid by retail customers. Indeed despite the increasing wholesale costs EA has maintained the 6.1c for all PV input since January 1st thus maintaining its profit margin.

We have now added an extra 3.7 KW system to our roof to bring it up to the maximum allowed by Ausgrid. This has also meant the additional cost of net meters being installed, which I can believe can be monitored and read online. I understand that net meters are to be made mandatory over the next short period of time. This may mean that meter-readers will no longer be employed. Another cost saving?

I believe that the feed-in tariff should be raised to the full extent mooted by IPART i.e. the 14.6c. This would assist in offsetting the cost of the additional panels as well as encouraging others to move to PV installation thus assisting Australia in meeting its renewable energy target. All indications are that PV solar and wind will be fixed to storage thus allowing 24 hour access to energy.

As the present Federal Government seems extremely loth to embrace a carbon pricing system. I believe that having more and more people embrace solar PV will eventually force a change of attitude from the present government and assist in the gargantuan task of lowering our atmospheric CO2 levels. Without a doubt this is an urgent need.

Yours faithfully

Bernard Griffin.

CC Clayton Barr MP.