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7 June 2013

Solar feed-in tariffs review
PO Box Q290
QVB Post Office
NSW 1230

Dear Sir / Madam,

RE: Review of Solar Feed-in Tariffs

The Clean Energy Council (CEC) welcomes the opportunity to respond to IPART's review of solar feed-in tariffs.

The CEC is the peak body representing Australia's clean energy and energy efficiency industries. Its priorities are to:

- Create the optimal conditions in Australia to stimulate investment in the development and deployment of world's best clean energy technologies;
- Develop effective legislation and regulation to improve energy efficiency; and
- Work to reduce costs and remove all other barriers to accessing clean energy.

The CEC works with governments and over 600 member organisations to identify and address the barriers to efficient industry development in the clean energy sector. The clean energy industry contributes to the generation of electricity using wind, hydro, solar, biomass, geothermal and marine energy as well as emerging technologies and service providers in the energy efficiency sector.

For further information regarding this submission please contact Darren Gladman at DGladman@cleanenergycouncil.org.au

Yours sincerely,

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Darren Gladman
Policy Manager

Clean Energy Council submission to the IPART review of solar feed-in tariffs

The New South Wales approach of not regulating minimum feed in tariffs payments to customers has failed.

Not one electricity retailer is paying the amount that IPART has determined is the financial gain to Standard retailers.

IPART has determined that the benchmark rate for the electricity fed into the grid by owners of solar PV systems is 7.7 to 12.9 cents per kWh. As stated in the IPART's March 2012 report on solar feed-in tariffs, "The upper bound of our benchmark fair and reasonable feed-in tariff reflects the financial gain to Standard Retailers for regulated PV customers".

The MyEnergyOffers web site provides information on the feed-in tariffs offered by electricity retailers in New South Wales. As of 7 June 2013 eight of the fourteen retailers listed offer no feed-in tariff whatsoever. Five retailers offer a feed-in tariff at or below the lower bound of the IPART benchmark rate. Only one retailer (AGL Sales) offers a feed-in tariff that is above the lower bound of IPART's estimate of the financial gain to Standard Retailers.

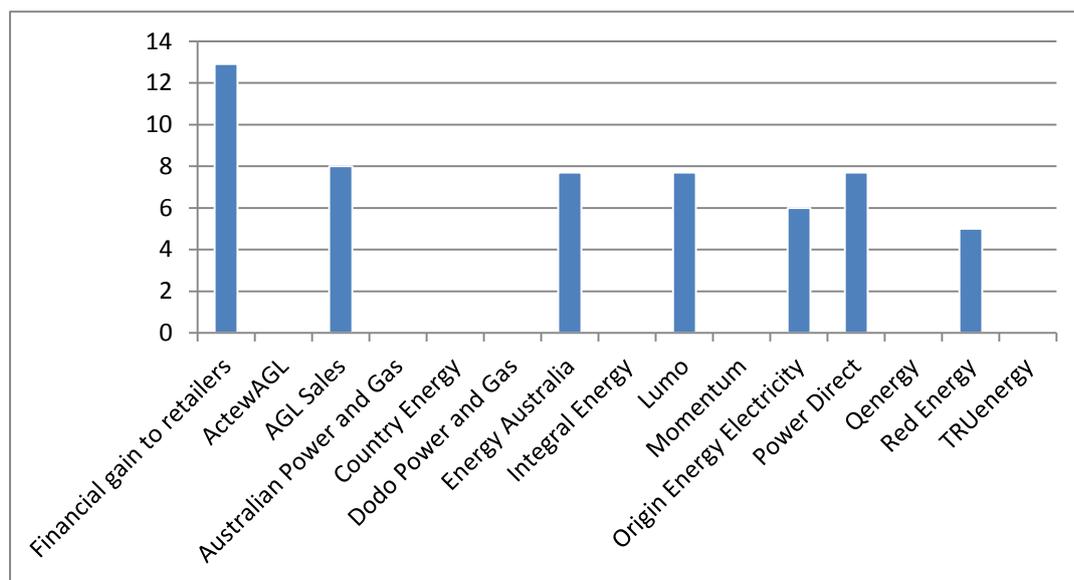


Figure 1 – IPART's estimate of the financial gain to retailers compared to feed-in tariff offers by NSW electricity retailers

New South Wales consumers have fared poorly from the New South Wales experiment.

Governments in other states protect the interests of solar consumers by mandating in legislation a minimum feed-in tariff rate.

CEC calls on the NSW Government to offer the same level of consumer protection for solar customers that is available in other states - by mandating a minimum legal feed in tariff payment.