

A FAIR AND REASONABLE VALUE FOR ELECTRICITY GENERATED BY SMALL SCALE SOLAR PV UNITS : A Submission

Independent Pricing and Regulatory Tribunal,

Dear Madam/Sir,

As a supplier of electricity from a home Solar PV unit, and stakeholder in the decision made, I was encouraged to make a submission by Deputy Director General, Division of Resources and Energy, Mark Duffy, to the IPART Review of a fair price for electricity. However, I was not given the closing date. I hereby request an extension, as I suspect that the viewpoint of the Australian home-owner is under represented, and I am one of the first home owners to install a Solar PV system under the new "No Solar Bonus Scheme", and I have some important points to make.

How fair and just is this? For the first 6 months after I installed my Solar panels, I gave away free electricity through the day and had to buy it back each night for 26c/kwH, while I sorted through the quagmire of bureaucracy, letters to and fro, and verbal misinformation. Now I have negotiated 5c/kwH from a new Retailer which is less than one fifth of the market value of electricity. It will take 4 to 13 times longer to pay for the purchase of my solar panels under the new non-scheme. Even the proposal of 8 – 10c/kwH is totally untenable from my point of view. This will not even pay for my quarterly service fee. As a result, I consider my only option is to set up a battery system and disconnect from the grid. The current IPART proposal is simply not viable in my view.

I question the method of reaching the proposed price. Only the point of view of the Electricity Retailer, and their financial gain, seems to have been considered. They have been able to make inflated calculations on their "unavoidable costs". Already a service fee is charged so this can't be counted in the equation twice. Already solar is green energy, so this can't be claimed for twice.

I question the Frontier Economics model used, when Retailers are given benefits of a risk factor, their savings not included in the equation, and potential charges are listed as "benefits"?

Shopping around will not attract a fair price! In no way is this Free or Fair Market Trading, when the market value of electricity is more than 5 times what I receive.

I question the priorities of the NSW Department of Resources and Energy. Whereas there is No Solar Subsidy, the coal industry is subsidised for billions of dollars. If, as they claim, the NSW Government is working toward lower emissions and low cost energy, then the solar industry should be subsidised by at least as much as the coal industry. The long term environmental benefits of Solar are not factored into the equation.

The underlying thinking is topsy-turvy, when home owners are discouraged from joining the worldwide move to renewable energies. The NSW Solar Industry has been brought to it's knees by this decision of the current State Government.

Lastly I would like to point out that the Solar Bonus Scheme closed on April 28th not 1st July. Can we even rely on the representation of the correct facts? Yes, better understanding is needed amongst the public.

For a fair hearing for all interested parties, I ask that you consider my submission. Please could you send me a note of acceptance.

Yours faithfully,
Ms. Miranda Mills