

The IPART COMMITTEE

**Please accept this, my submission to your inquiry into Solar
Feed in Tariffs.**

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My wife and I are members of the groups that keep Australia going. We were lifetime income taxpayers and continue to pay a consumption and other taxes. We are lifelong consumers and as such we have been life time subsidisers of government, business, retirement largess and the ongoing cost of committees that make it easy for government and business to increase their compulsory extractions from the community. We will also be forced to subsidise the cost of repairs to the Sydney Harbour Tunnel when it reverts to Public Ownership in the future.

However we do not mind subsidising business to continue **employment**, or those who attempt to hi lite **the barbaric harvesting of Whales**.

Our Photo Voltaic Array is small and was set up to allay the cost of our energy which takes a considerable lump of our pension and it was **never a business** venture. We viewed our twilight years as when we are entitled to be cooled in the summer and warmed in the winter without feeling guilty. Yet now, that is what the government and their hirelings are proposing.

The NSW Government, in their wisdom, or otherwise, put into action a scheme to promote the Solar Industry in Australia. Unlike many Government initiatives this worked, leaving the Government unable to address that success. The scheme, as invoked, attracted those with money or credit to enter a scheme to fully cover their home, as well as their entire business structure, while the venture also gave them some cash profit. Now, we and they, are being excluded from a venture that the NSW Government finds embarrassing and is quite content to instruct those who claim independence to find a way to **break a contract**.

I understand the pricing of Solar Voltaic Energy Production and Timetable.

The breaking of a contract will be obvious when it is explained how little the subsidies will be after IPART makes it's recommendation, which the Government and energy suppliers will automatically agree on. The return on individual investment will be non-existent and the whole **Solar experiment** will only be available for those with ties to energy producers. People on fixed incomes, people who are weighed down with mortgages, people who are weighed down with debt and businesses without cash or credit are now to be excluded from the **Solar Photo Voltaic Energy producing phenomenon**.
Submission to IPART on Solar Feed in Tariffs

Forscutt page2

Part of that phenomenon is that SPVE production does not put dirty electricity into the grid. **A further fact is that Schneider Electric (out of the USA) the global specialist in energy management, advises that there needs to be 3kwhs of electricity produced from traditional generators, to deliver 1kwh of usable electricity to an end user.**

Near 100 percent of SPVE production is delivered to the grid.

Battery storage is a grand idea but will be limited to those who are prepared and are capable of investing in a very low return activity. **Our contribution to reducing Greenhouse gas emissions has been made through our Photo Voltaic Array and by GreenEarth purchases.** This will not continue as we will not be able to **afford** The GreenEarth contributions.

However, for retailers to be able to purchase Solar generated power for 8 or 9 cents per kwh and then resell it at a massive mark up as GreenEarth power, well, it totally sucks and needs rethinking.

Our last quarterly account claimed \$89.43 as "Service to Property" or previously an "Availability charge". Per Annum that equates to \$357.72. When we extrapolate that figure to include every individual electricity retail account sent out each year to every individual account holder, the amount is enormous.

One million accounts would \$357.720.000.00. I have no idea how many accounts are sent but if there are 10 million then that would amount to around \$3.5 Billion dollars which would make a big hole in the replacement of poles and wires. There are over 22 million people in Australia and many, many businesses and many, many Government agencies, so the 10 million may be very much on the conservative side. (ICCC figures put it at 9.081942 individual accounts)

At this point I would like to draw your attention to a statement by a former Commissioner of taxation, he said that we (this country) had come to the point when **large corporations made the decision as to whether they paid taxation and if they did, how much!**

There is no subsidy for us in taxation deductions or GST return, yet those who have these benefits are being protected by government and their hirelings **without regard to the magnificent difference in our pollution production.**

Electricity usage is almost compulsory in Australia. There are little lifestyle or business decisions to be made that can exclude hooking up to the grid. Every pricing decision is made and allowed to help the retailer, never has a decision been made that addresses the needs of those who cannot afford
Submission to IPART on Solar Feed in Tariffs

increases in cost. Never has a decision been made that includes those things and their cost that are classed as necessities of life, or for that matter, their replacement. Never has the cost of tradesmen been included when costing the ability to afford.

The most disturbing aspect of this inquiry is that it will give Government and some Energy companies **the right to charge for Solar produced energy. Having the legislated right to charge for something gives those entities dominion over what is supplied freely by nature and the Sun.** Even if a producer can afford a set up that eliminates the energy retailer so that the producer uses only his own production, which can be done, but is costly, **the legislation to be introduced will allow the energy companies to extract a tithe from the private producer.**

Witness the way water is being privatised and costs applied to even uncollected water, eg the Victorian desalination plant.

If the extreme dividends extracted from the energy industry by governments, if the extreme unearned salaries that are paid, if the extreme bonuses that are allocated to upper management, if all of this was eliminated or driven to a justifiable level then fairness in energy prices might be in sight.

It is not that it is so difficult to sell electricity. 27 electricity resellers that I know of, some good, some bad, I suppose, even an ISP and telephony provider.

The point here is, someone is wholesaling electricity. Some of these companies buy electricity, go out and sell it, pay the wholesaler, then cop their profit, or maybe they just get a decent commission that allows them to class themselves as electricity retailers. This is why, I suppose, that some of them report operational costs of around 10%.

As pointed out electricity is a necessity yet many of the entrants are just flippant when we take the above into account. I do not see any attempt to even out this industry fairly.

The number of foreign entrants into our electricity energy industry is a concern. Every time we switch on a light we are sending money to Singapore. I find it incomprehensible that this is not viewed with concern. I do not want to send my money to Singapore or any other foreign port. They will not show compassion to those who cannot afford energy, or to those who will die in the heat and the cold because they have no alternative. Only an Australian Government owned institution can do that.

I see nothing in the detail of your website content that will make me confident that IPART will make, as Submission to IPART on Solar Feed in Tariffs

Forscutt page 4

part of their recommendations, that those who cannot afford electric energy be subsidised.

Dole, about \$269.00 a week. Old Age Pension \$569.00 a fortnight. Homeless \$0.

I must include that Belgium is making it compulsory to install Solar Panels, with loans assured. They are also making it compulsory to insulate new houses and to renovate old ones to cut pollution through energy overuse. (The Bulletin, Brussels, Belgium, Dec 2-15, 20011, issue 7)

My final page will contain my recommendations.

Private, photo voltaic energy production providers must be paid no less than the wholesale price of electricity that now prevails.

In fact that we can deliver 100% means an extra entitlement 33.33% on the wholesale price.

The buyer of our energy will incur no cost of production and that must be attractive to anybody.

The distributor, in some cases may save production costs up to and including 49%.

Our pollution free production must be attractive to those who advise Government.

We, the photo voltaic energy producers pay all production costs.

Irrespective of the size and cost of our installation there is no cost to government, electricity generators or distributors.

In fact the larger ones will pay taxation on the income.

We are providing a pollution free product.

Do you get that, a pollution free product. That alone must be worth a further 2 cents per kwh.

A pollution free product that can be retailed, and is, at much higher rates than general tariffs.

Given the advertised cost of production by the industry members, SPVE production could be priced at existing retail price, giving the buyer a profit equaling their production costs.

The fact is, an intelligent government and Industry leader might see the value in continuing high rewards for SPVE production. 75% of the retail price would give them a 50% margin as production costs are eliminated. They could then phase out the dirty generation as more Green production is introduced.

There is a lot of fat in this Industry.

I have the greatest faith in IPART to deliver a result that will clearly show that they are an independent body.

