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23 November 2009

Solar Feed-In Review
Sustainability and Climate Change Division
Department of the Premier and Cabinet
GPO Box 2343
Adelaide SA 5001

By email: ClimateChange@dpc.sa.gov.au

Dear Sir/Madam

Re: South Australian 2009 Solar Feed-In Review

The Clean Energy Council (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 reduce energy demand and improve its efficient use; and
- work to reduce costs and remove all other barriers to accessing clean energy.

The CEC advocates the development of policies on behalf of its members at federal and state government levels and promotes understanding of the industry and its potential through channels such as industry events, forums, conferences, newsletters and publications. The clean energy industry includes generation of electricity using wind, hydro, solar, biomass, geothermal and ocean energy as well as the emerging technologies and service providers in the energy efficiency sector, which includes solar hot water and cogeneration.

The CEC welcomes the opportunity to respond to the review of the South Australian Solar Feed-in Scheme.

The CEC believes that the best way to drive the deployment of Solar PV and other small-scale renewable technologies is through a nationally consistent gross feed-in tariff. We would urge the South Australian government to support the development of such a scheme through COAG.

In the absence of a national scheme the CEC believes that State schemes should be implemented on a consistent basis. These schemes should be based on the gross model and where possible have similar design features.

The CEC believes that in South Australia:

- **The Feed-in tariff should be gross, with a tariff level of between \$0.30 - \$0.50 and a lifetime of 15 - 20 years.**

The feed-in tariff should be gross, with a tariff level of between \$0.30 - \$0.50 and a lifetime of 15 - 20 years. The PV industry needs certainty and a sustainable growth path. Introducing a gross feed-in tariff in the range of \$0.30 - \$0.50 for 15 – 20 years will provide this certainty and sustainability. One outcome of the recently announced NSW gross feed-in tariff will potentially be a further boom-bust cycle in the industry. The short life, and high rate of the scheme will drive uptake in the first couple of years, and moderate in the successive years. A lower tariff rate over a longer time period would provide more stable and sustainable growth in demand.

- **If the scheme is to be capped at 10 kW a separate feed-in tariff for systems 10kW and above should be introduced.**

The CEC can understand the reasons why South Australia may want to limit the feed-in tariff to systems of 10 kW and below. However, there are many opportunities to install larger scale PV systems on commercial buildings, but currently little, if any support, for these systems. South Australia should therefore look to introduce a feed-in tariff that supports the installation of commercial scale systems, and is paid for by that part of the market

Yours sincerely



Russell Marsh
Manager Policy

