



Save Solar Tasmania

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Minister needs to show leadership on feed-in tariffs

Save Solar Tasmania today said “*Energy Minister Bryan Green has a unique opportunity to support the growth of jobs and expertise in the Tasmanian renewable energy industry.*” The Minister is reportedly¹ about to make a decision on feed-in tariffs based on advice from Treasury without a public consultation process.

Jack Gilding, convenor of Save Solar Tasmania said “*We lack confidence in Treasury’s ability to understand the benefits to Tasmania of a growing solar industry. On all the available evidence, we expect Treasury to promote a very narrow view of the role of solar PV in our electricity system. The Minister has a responsibility to take into account the wider benefits to Tasmania of a vibrant decentralised electricity system.*”

Save Solar Tasmania today calls on Minister Bryan Green to make public the advice he has received from Treasury and to commit to a public consultation process.

“*Only a public process independent of Treasury can properly assess the costs and benefits of support for the solar industry and make sure that solar PV owners receive a fair return on their investment.*”

A public process should also ensure that the new private retailers pay for the benefits they receive from PV owners putting power back into the grid, and that Tasmanian taxpayers understand the broader benefits to the state in supporting the development of distributed renewable energy via feed-in tariffs and other mechanisms.

Much of the public debate on feed-in tariffs to date has failed to recognise a much broader range of benefits in supporting household and community scale renewable energy, including; growth in a positive industry sector, raising the value of Tasmania’s housing stock, supporting Tasmanians in reducing cost of living pressures, which complement existing measures to help low income households, and engaging the community in measures to reduce greenhouse gas emissions.

Minister Green has not been entirely transparent in regard to the privatisation of the retail electricity market, on the one hand suggesting that the feed-in tariff that currently exists would increase costs for all Tasmanians while ignoring that the existing sponsorship for football would also become a cost to all Tasmanians.

Solar installer Rob Manson from *I Want Energy* said “*Bryan Green has been talking about a ‘fair and reasonable’ tariff for months, but we never get any more detail. Our customers need certainty to make investment decisions, but they also need to be offered a price for the electricity they generate which recognises the wider benefits to the electricity system.*”

Questions the Minister needs to address

What will happen to existing solar PV owners?

The 10,000 solar PV owners in Tasmania have each invested thousands of dollars of their own money in their systems. These investments have been made on the assumption that the costs will be recouped

¹ [Decision on solar panels tariff due](#), The Examiner May 8, 2013

over a number of years. They have usually signed Aurora's 5 year connection agreements on the assumption that the existing 1:1 feed in tariff would remain.

How will the solar industry be enabled to continue growing?

Uncertainty about the future of feed-in tariffs is seriously undermining the viability of the solar industry. The Minister needs to give assurances about transition arrangements so that the customer can continue to order new solar PV systems with confidence.

How will the new provisions address the limitation of current metering arrangements?

At the moment many Tasmanian customers with solar PV have two meters, only one of which offsets the solar electricity generated. This results in a situation where a customer may be exporting electricity through one meter and importing it through the other. This doesn't matter with the existing 1:1 tariff, but if the feed in-tariff is dropped below the tariff 41 rate of 16.7c/kWh the perverse result could be that customers are paying the retailer for using electricity they have generated themselves and are using themselves!

What is the government vision for renewable energy?

A feed-in tariff for households is only one aspect of supporting Tasmania's renewable energy potential. Changes to the electricity market could be an opportunity to harness the potential for many Tasmanians to be producers, not just consumers of electricity. Households, communities, farmers and businesses are keen to invest in these opportunities, but the government needs to provide a supportive policy environment.

A history of Treasury inaction on feed-in tariffs

Treasury been working on the reform process since the Minister's statement on 15 May 2012. In November 2012 the Tasmanian Climate Action Council wrote to Treasury explaining the importance of feed-in tariffs. In March this year Treasury released a Position Paper which completely ignored the issue of feed-in tariffs. Even when a range of organisations made detailed submissions highlighting the importance of feed-in tariffs, the Treasury response was the incredibly vague 'The Government is taking advice on this issue and will make a formal policy announcement once the matter has been considered in further detail'.

More information

Save Solar Tasmania is a coalition of solar suppliers, community groups and solar PV owners.

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