



20 March 2015

Claire O'Rourke
National Director
Level 1, 33 Mountain Street
ULTIMO NSW 2007

Dear Ms O'Rourke

Thank you for your letter dated 5 March to Labor Leader Luke Foley outlining Solar Citizens' six policy issues for the 2015 NSW election.

Please find below Labor's responses:

1. NO DISCRIMINATORY SOLAR FEES

Does your party guarantee to prevent fees and charges which discriminate against solar owners and people installing storage systems?

NSW Labor is aware of the push from retailers to decouple fees from electricity use and in doing so disadvantage both those with solar on their roofs and those who are practising energy efficiency.

Labor in government will investigate paths to halting this practise.

2. A FAIR PRICE FOR SOLAR FED INTO THE GRID

There is currently no regulated minimum price that NSW solar owners are paid for the electricity produced by their solar system, fed into the grid and on-sold by their retailer.

Individual solar households have little power to negotiate with retailers and many more solar households will be in this position after the Solar Bonus Scheme wraps up in 2016.

Does your party commit to setting a regulated minimum retailer-paid feed-in tariff, set at a fair level for consumers who generate power and feed it back into our state's energy supply?

A NSW Labor Government will provide consumer protection for those who put solar on their roofs, ensuring a fair tariff for those who sell excess energy back to the grid.

Currently electricity companies are not obliged to pay anything for the energy generated by householders that electricity retailers then sell onto other consumers. This gives the giant energy companies a free ride on the backs of households that make a contribution to energy supply.

The reason people put solar on their homes is to manage price increases as well as to do their bit for our environment. Electricity retailers should not be able to rip these families off.

A Labor Government will require there be a fair minimum payment for energy fed back to the grid from households generating solar energy. This will be set by IPART, with a rigorous mandate given by law to ensure.

3. REVERSE AUCTION TO BOOST COMMUNITY & LARGE-SCALE SOLAR

Will your party commit to launching a reverse auction process to support community and large-scale solar projects (similar to the scheme that has proven so successful in the ACT*) to allow people who cannot put solar on their own rooftop to benefit from the renewable energy revolution?

LARGE SCALE SOLAR

As power contracts come up for state government electricity use, a NSW Labor Government will purchase power from renewable sources, if it can be done in a cost effective manner.

Labor will investigate “reverse auctions” that have been used successfully in the ACT and will be explored in Queensland. This is where private enterprise bids to provide new renewable energy generation at the cheapest price. By purchasing directly from renewable generators a Labor Government will drive down costs. This will stimulate the growth of the renewable energy industry in NSW while also driving down carbon pollution.

COMMUNITY RENEWABLES

A NSW Labor Government will establish an Office of Renewables within the Department of Premier and Cabinet, led by the Energy and Climate Change Minister to drive Labor’s dual policy aims of affordable and clean energy. One of its tasks will be to remove barriers to the growth of renewable energy in NSW, including Community Renewables.

The Office of Renewables will reinvigorate the Renewable Energy Precincts to foster locally driven plans to increase renewables and decentralise power. Barriers to the growth of decentralised power will actively be removed, embedding these projects in the planning system, standardising contracts and approaches.

A fund of \$6 million over 4 years will augment proposals put forward by councils and communities. This will include grants to Community Renewable Energy projects of up to \$500,000.

4. TRIAL SOLAR STORAGE - THE WAY OF THE FUTURE

Does your party commit to launching a trial of solar with storage - the next big thing - at a household level (in 1,000 NSW homes) and also at a neighbourhood level to test innovation of technology and business models that will allow solar to run day and night and help maintain our state's energy supply?

This sort of project will be facilitated by the Office of Renewables within the Department of Premier and Cabinet. Our policy does not currently include this level of detail, however the Office of Renewables will be given the task of investigating such options.

I am personally very interested in the idea of trialling decentralised and independent energy, including but not limited to solar, for green field suburbs. I would like to facilitate this.

I have announced \$10 million for University of Newcastle to support research into battery technology. Reliable and affordable battery storage will transform the energy sector as completely as email transformed the postal system. It will allow renewable energy to fully replace traditional generation. A publicly owned electricity network can manage this shift in the public interest.

With battery storage, individuals and communities will be able to generate most, if not all of their energy needs. Decentralised renewable energy generation will allow communities and businesses to share excess energy, trading amongst themselves.

5. ENSURE A SMARTER NSW POWER GRID

Does your party commit to ensure networks will take the necessary measures to accommodate more solar in the grid in the future, enable innovative elements like virtual net metering and peer-to-peer solar energy trading and other aspects of a smarter, decentralised grid?

Reliable and affordable battery storage will transform the energy sector as completely as email transformed the postal system. It will allow renewable energy to fully replace traditional generation. A publicly owned electricity network can manage this shift in the public interest.

With battery storage, individuals and communities will be able to generate most, if not all of their energy needs. Decentralised renewable energy generation will allow communities and businesses to share excess energy, trading amongst themselves. The grid will be just as important for facilitating this new regime, but it will be profoundly different.

In Germany communities are buying back their electricity networks, not only because of failures of service and increased prices but because they are failing to facilitate the shift to clean energy.

Government ownership can deliver in the public interest in a way that the private sector struggles to. A NSW Labor Government will keep the electricity networks in public hands and shepherd the shift to affordable, decentralised and renewable energy.

The transition to clean energy is better for us all. And a publicly owned electricity network can manage this fairly.

6. STAND UP FOR NSW SOLAR JOBS – PROTECT THE RET

Will your party call on the Federal Government to drop its attempt to slash the 41,000 GWh national Renewable Energy Target, that supports thousands of NSW solar jobs, helps with the price of installation and lowers the wholesale price of power for all consumers, and instead to advocate for the expansion of the Target to at least 50% by 2030?

NSW Labor supports the current Federal Renewable Energy Target at 41,000 GWh. This is a proud Labor legacy.

NSW Labor has committed to ensuring NSW does its bit and enjoys the investment and jobs this will generate. NSW Labor will deliver 20% of the state's electricity use from renewable sources by 2020, and legislate this target.

A NSW 20 per cent renewable energy target by 2020 was established by the last Labor Government, NSW Labor recommits to this target and will legislate it in government. Current renewable energy consumption in NSW is around 12%.

NSW Labor does not currently have any policy relating to post 2020 targets.

Yours Sincerely



Hon Adam Searle MLC

**Deputy Leader of the Opposition in the Legislative Council
Shadow Minister for Energy and Climate Change
Shadow Minister for Industrial Relations
Minister for Small Business**