



MEDIA RELEASE

Tuesday, 23 June 2009

JOINT STATEMENT
MINISTER FOR ENERGY IAN MACDONALD
MINISTER FOR CLIMATE CHANGE AND THE ENVIRONMENT CARMEL TEBBUTT

Solar bonus scheme for NSW announced

Details of a new solar bonus scheme to operate across the State have been announced by the NSW Government today.

Minister for Climate Change, Carmel Tebbutt and Minister for Energy, Ian Macdonald said the scheme - flagged late last year - would support people in NSW who produce renewable energy through roof-top solar panels and feed it back into the grid.

"This is a significant boost for renewable energy in NSW and has the potential to generate an additional 500 green jobs. Our scheme is designed to be the most generous to operate anywhere in Australia, apart from the ACT," Ms Tebbutt said.

"We expect the scheme to reward customers with around \$900 annually - meaning an average solar panel system could be paid back within 12 years.

"We have delivered a balanced outcome that will support the uptake of solar panels, without unduly burdening all electricity consumers.

"Our scheme is a net scheme that will operate for 20 years, equal to the longest in the country.

"It will pay eligible systems 60 cents per kilowatt hour for the renewable energy they feed back into the grid - this is around four times greater than the average price of electricity.

"The scheme will include systems up to 10 kilowatts in size, which will capture households, small businesses, some community organisations and some schools.

"While the scheme will initially apply to roof-top solar panels, we will consider the inclusion of micro wind turbines and community solar farms.

"The NSW Government has a comprehensive renewable energy plan that includes the solar bonus scheme, significant funding for new renewable energy projects and wind renewable energy precincts."

Minister for Energy Ian Macdonald said it was vital the NSW Government got the balance right when developing its solar bonus scheme.

"Solar bonus schemes such as this are paid for by all electricity customers. It is important to shield vulnerable individuals and families who are not in a position to install solar panels from a significant increase in their electricity bills," Mr Macdonald said.

"A net system was chosen because it encourages people to better manage their power use and use energy more efficiently – this is because you get paid for energy you produce but don't use.

"It will also provide a greater degree of harmonisation with schemes in Victoria, South Australia, Queensland and Western Australia.

“This is a shot in the arm for the solar energy industry and comes on the back of the recent announcement of solar manufacturing Silex Systems Ltd to develop the BP Solar manufacturing facility at Homebush.”

Silex will invest an estimated \$30 million in the Homebush plant over coming years, which will create 165 Green Jobs, ensuring its future use as a high technology solar manufacturing base.

This investment demonstrates the Government's commitment to developing renewable energy alternatives, where green skills and green jobs can thrive.

Key details of the NSW Solar Bonus Scheme:

- will operate for 20 years;
- pay 60 c/KWh that is fed back into the grid;
- be payable to energy customers with solar panel systems up to 10 kW in size;
- commence on 1 January 2010; and
- will be reviewed in 2012 to make sure the scheme is operating effectively.

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ENDS

Feed-in Tariff Schemes in Australia – Key Design Details

Design Element	SA	Qld	Vic	ACT	WA	NSW
Net / Gross	Net	Net	Net	Gross	Net	Net
Tariff rate	44c/kWh – approx 2x standard retail rate.	44c/kWh – approx 3x standard retail rate.	60c/kWh – approx 4 x standard retail rate.	50.05 c/kWh up to 10kW system size. 40.04 c/kWh between 10kW and 30kW	To be determined	60c/kWh – approx 4 x standard retail rate.
System size limits	10kW for single phase power and 30kW for three-phase power	10kW for single phase power and 30kW for three-phase power	3.2kW	30 kW	To be determined	10kW
Sectors covered	Small electricity customers (household, small business, community building, church or other facility that consumes less than 160MWh per annum).	Small electricity customers (those consuming no more than 100 MWh of electricity a year – the average household uses 10MWh a year).	Residential (may further restrict to primary place of residence)	All sectors except non-educational government agencies.	To be determined	Small electricity customers (household, small business, community building, church or other facility that consumes less than 160MWh per annum).
Scheme duration and reviews	Until 2028	Until 2028	15 years from start date	20 years	To be determined	20 years.