

Tasmanian Renewable Energy Alliance MEDIA RELEASE

FOR IMMEDIATE RELEASE

21 November 2018

Solar decision a missed opportunity

Today's announcement* of an extra 5c for customers whose grandfathered feed-in tariff (FiT) is due to expire on 31 December will be welcomed by those customers but represents a wasted opportunity for the state.

"Other states are implementing bold initiatives to make the most of the new technologies for distributed energy generation and storage while Tasmania pussyfoots around" said Jack Gilding, Executive Officer of the Tasmanian Renewable Energy Alliance.

Victoria has introduced a <u>optional time-varying FiT</u> which rewards customers for feeding energy into the grid at times of highest demand. Customers with solar and batteries <u>can be paid as much as 29c/kWh</u> for energy fed into the grid from 3-9pm on weekdays. The Victorian process is also ground-breaking in recognising the benefits of solar in reducing carbon emissions and improving public health through reduced pollution.

South Australia is going to link up to 50,000 homes with solar and batteries into a 'virtual power plant' that can provide services to the electricity grid and reduce costs for all consumers. As a result of this leadership three different battery manufacturers have announced they will set up manufacturing in South Australia.

Queensland has <u>just announced</u> the availability of grants of up to \$3,000 for home batteries as well as interest free loans for homes and small businesses.

Today's announcement does nothing to set a future direction for the development of distributed generation and storage. It does nothing to encourage innovative manufacturers and service providers to see Tasmania as an exciting place to develop new services.

In our submission to the review, TREA made many suggestions of innovative arrangements that could ensure a dynamic solar industry that met the needs of all Tasmanians. The only recommendation from the review with a clear timeline is a time-varying FiT and even this has been referred to the Economic Regulator for another 12 months of investigation. Victoria introduced such a scheme last July. Other recommendations are worded as possibilities for the government to consider.

"Other states are building the energy system of the future right now. The Tasmanian State Government seems unable to understand and seize this opportunity" said Mr Gilding.

Media comment:

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More information:

TREA's submission to the Solar FiT inquiry is available at http://tasrenew.org.au/fit2018/

FAQ and full report:

https://www.stategrowth.tas.gov.au/energy and resources/energy/solar feed-in tariff review

Minister's media release: http://www.premier.tas.gov.au/releases/a fair and equitable solar tariff system

* The 16,400 customers currently receiving a FiT of 28.3c/kWh will receive 13.5c (8.5c+5c) from 1 January 2019. The remaining 12,800 solar customers will continue to receive the standard FiT of 8.5c.