

McGuffie, Jonathan (StateGrowth)

From: Julie Hargreaves <julie.hgs@hotmail.com>
Sent: Saturday, 4 August 2018 10:09 AM
To: solarfeedinreview (StateGrowth)
Subject: Solar FiT Review - submission

To Whom it may concern,

I am making this submission to the Solar Feed In Tariff Review as someone with a solar PV system receiving the legacy FiT and also as a home energy assessor.

Legacy Feed In Tariff (FiT)

On a personal level, our household solar PV system was purchased in the early days when prices of PV systems were significantly higher than now and there were relatively few solar systems in Tasmania. So few in fact that we had a multitude of electricians from all of the respective companies to oversee the connection and switch on to the grid (early 2008). We received a federal rebate at the time but our system was still more expensive than comparative prices now for solar. However, the expectation of a FiT in line with the price of electricity purchased meant that we could still expect a reasonable return on our investment, eventually. Also, while there was no difference in the price of electricity imported and exported, the fact that we could only connect our system to one tariff has not been an issue, however, it will be after the end of the legacy FiT contract.

Our system is comparatively small (2kW) compared to the 5kW systems typically installed now for households on the current FiT, as that is the size of system that is generally recommended to offset high network costs and low FiT. Like many others on the legacy FiT we have been reluctant to make changes until the end of the legacy FiT contract, and we are assessing options for the future - including battery storage along with an increase in the size of the system. Potentially, around 19,000 households in Tasmania will be doing the same and contacting solar suppliers to look at options to upgrade their system in the coming months. With a 10year old system that still has a further 10yr+ lifespan, considerations for upgrade options may become complex (it's not necessarily easy to bolt on a bit more solar) or may be expensive (in replacing a system which is only half way through its lifespan). These upgrade costs also have to be balanced against the initial investment which had an expectation of a 20yr lifespan. With the reduction in battery prices over the past few years, some households will be inclining towards battery additions or possibly even going off-grid in order to get rid of network costs altogether.

Rather than having a surge of potentially 19,000 households making changes over a short period of time, a more manageable outcome (for solar suppliers, networks and households) would be to continue the legacy FiT and allow households to upgrade their systems in a more measured approach - as technology needs replacing or as other changes prompt an upgrade. Allow the older technology to phase-out over time with a switch over to the same FiT as everyone else when a change occurs e.g. change of ownership, upgrade to system, etc. Putting a time limit on each contract rather than having a fixed cut-off point for the legacy FiT would also allow for a more managed transition from legacy to new tariffs. As it stands, 19,000 households are all likely to get a bill shock around the same time, in the first quarter of next year.

Metering Issues

Fixing the metering issues is something that needs addressing - to enable households with solar (non legacy FiT) to offset their PV electricity against any load in their home. When typically 25% of the household energy use is for hot water, directing solar PV towards heating water can benefit the household and also assist in managing the network load. Some forms of heating also lend themselves to energy storage too - e.g. hydronic heating systems or heat banks. These usually require large loads which could make use of solar PV electricity - storing heat during the day and then delivering that heat to the home in the evening. With heating accounting for 50% of household energy use (typically), there are significant benefits in shifting the energy load for heating towards maximum use of solar.

Low income households

There are good examples to learn from in other locations on how to assist low-income households to access cheaper energy through solar PV. Some are geared around helping households to purchase a system without up front costs e.g. Darebin. The NILS programme is another which helps people to help themselves. However, renters need options

too. Installing solar PV on all Housing Tasmania homes would be one way to increase access to affordable energy for those in social housing. Programmes to encourage/assist landlords to install solar PV could also help renters in the private sector.

Electric Vehicles

While still early days in the take-up of EVs, the shift of energy use from fossil fuels to electricity will increase the need for more electricity supply. It will also potentially change when people are using electricity e.g. for charging EVs overnight and so peak demand in residential areas may change as a result. Shifting large household energy loads (e.g. hot water and heating) to daytime to make use of solar PV is one way to balance the extra electricity use for EVs charging overnight – if the metering issues noted above are fixed.

Julie Hargreaves
PO Box 195, Sheffield, TAS 7306
0409 936907