

Stephen Bokos

Submission to Solar Energy Inquiry

9/2/16

Dear Inquiry,

I am a private PV system owner.

I was induced to invest a considerable amount of money to purchase a 4.5kw PV system based primarily upon incentives offered by the State Government. At the end of this year the amount I get paid for the power I produce drops from 33c/kwh to 6c/kwh. At the moment, the amount of power that I produce and export to the grid is about equal to the amount I pay to purchase power. I am careful with my energy usage and I'm rewarded with a small energy bill.

I don't believe it is fair that on 1 January 2017, I will have to effectively donate my electricity to a corporation (a power company) who will then sell that product back to me, or some other consumer at 6 times the price they paid for it?

I submit that private power producers, like myself, should only have to pay for power that they consumer in excess of the amount that they produce and put back into the grid.

If for instance I produce 10 kWh per day and I use 12 kWh for the same day, the power company should only be able to charge me for the 2 kWh difference. I'm happy for them to charge me at the full retail rate for the difference. Why should they be allowed to reap a huge margin from infrastructure that is owned by me?

This is a fair way of rewarding private PV system owners who are energy conscious (and cost conscious) and who have invested thousands of dollars creating the infrastructure. This approach means private PV system owners are not "profiting" and are also incentivised to continue to watch their energy usage.

I, like many PV system owners, feel like I have been duped by past government policy. The incentives were generous, yes, and needed to be curtailed, but why give an enormous free kick to corporate power companies? The government can legislate that power companies can only charge private producers the exact amount that they pay for that same power. Any usage in excess by the private producer/consumer can be charged at the retail rate. This is fair.

There is no moral justification, that I can think of, for allowing a power company to take my product (electricity I produce), pay me 6c, and then sell it back to me for 35c. That business model is better than a monopoly. If they sell it to another consumer who doesn't produce the electricity for 35c so be it. That consumer is in no worse a position.

Please consider the fairness of this situation carefully.