

The below submission has been lodged and confirmed on the AEMC Web site.

Submission Type: Market Review

Reference: Access, pricing and incentive arrangements for distributed energy resources

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Comments: To Whom It May Concern,

The proposal within this draft determination to charge people and small business` customers a solar power export fixed Tax is a flawed and ridiculous idea. This solar export tax will not reduce the so-called power traffic congestion at all and it will not reduce the cost to low-income families by any meaningful amount as suggested by Benn Bar. My small business receives NO FIT at all and I export a large percentage of my solar power into the grid. At my home, I receive 7 cents/KWH export FIT rate and new customers here in WA only receive 3 cents FIT. Solar power is being made out to be the cause of high-power prices but in fact it has lowered power wholesale prices dramatically and reduced demand during the hottest parts of the day which has delivered a massive reduction in brownouts here in WA. High power prices are clearly because of expensive coal-fired power stations. The old coal-fired power stations capital cost have been fully paid for (by us) and they still cannot produce power at a price anywhere near what solar can. All fixed charges such as the proposed solar export tax do not discourage the import or export of power at certain times because the proposed charge will not change or vary! What it will do is discourage people from installing solar in the first place, which will be very bad outcome for everyone because it will be discouraging more of the cheapest form of energy.

Solar Power exports will not create a need for more poles and wires to be built, this is a fallacy. There maybe some adjustments and upgrades required to the system but it will definitely not need more poles and wires as suggested AEMC report. If anything, solar will need less poles and wires as it is right were the power needs to be, on people`s houses. Most large coal generators are far from where the power is needed and so needs a lot of poles and wires and further to this incur large transmission losses. Here in WA I believe up to 30% is lost on its way to Perth from the Collie power stations. Now that`s inefficient!

What I believe is needed is a fair system for everyone that encourages people to adopt solar and save on expensive power bills forever. To do this, a time-of-day feed in tariff rates should be introduced and adjusted to give the best outcome for the community not just the power companies. WA has started to do this but the FIT rates on offer are terrible 3 cents during the day and 10 cents between 3pm and 9pm. Synergy is charging us 30 cents, that`s a 900% markup on the day time rate!! A real solution to help low-income families would be a scheme to help them with the cost of installing solar power. This could be easily achieved with a Limited and Targeted Government subsidy scheme for eligible low-income householders that should be funded from a reduction to one of the subsidies currently being issued to the fossil fuel industry. Once these low-income households have solar power installed this would reduce the need for ongoing assistance from the government to help pay their power bills. Therefore, delivering an ongoing saving to the State Government and

the community. These suggestions would deliver a far greater saving to low-income families than the proposed fixed solar export Tax.

The power companies have a massive opportunity here before them and they can not see it. The community is basically installing power generation for them to use, but instead of embracing it they are waging a war against it. If the community is willing to build/install power generation then that means they do not have to, saving them and therefore us money, big money. All they have to do is install storage which can be rolled out in stages which is not expensive. Base load solar i.e. solar plus storage is now cheaper than fossil fuel generation and in many cases it is now cheaper to close coal fired generation and build replacement base load solar with storage.

In the near future EV's will explode onto the market and this is going to mean a massive increase in power consumption, and power companies need to be ready to supply this new sector from the cheapest forms of power available. With good energy policies we will see an efficient energy sector but with poor energy policies such as with the proposed fixed solar export tax and high fixed supply charges we will see an inefficient energy sector and the whole economy will suffer.

Thanks for your time

Yours Sincerely

Shane Drew