



The Hon Chris Hartcher

Minister for Resources and Energy

Special Minister of State

Minister for the Central Coast

MEDIA RELEASE

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NSW GOVERNMENT TO SET FAIR VALUE FOR SOLAR ENERGY

Minister for Resources and Energy, Chris Hartcher together with Rob Stokes, Parliamentary Secretary for Renewable Energy today announced the NSW Government would work with industry and the community to set a future fair value price for household generated solar energy.

Speaking at the NSW Government Solar and Renewable Energy Summit in Newcastle, Mr Hartcher announced an Independent Pricing and Regulatory Tribunal (IPART) review would commence to determine a fair price for small-scale generated solar.

The review will also examine any economic gains being made by retailers under the Solar Bonus Scheme that could be distributed to assist with Scheme funding.

“I have been listening to expert opinions and I hear loudly and clearly the community call for certainty and a future fair price for solar,” Mr Hartcher said.

“It is important that any future price must not disadvantage those who can least afford it through higher electricity costs. It is time to end the boom and bust cycle for solar industry workers and provide a sustainable and predictable future going forward.”

Under the terms and conditions to be set for the IPART review, the independent determination must:

- Result in no increase in electricity prices;
- Result in no additional funding from the NSW State Government Budget;
- Be administratively simple and take into account any impacts on retailer operations; and
- Support a competitive electricity market in NSW.

The Government will be consulting closely with the main industry body, the Clean Energy Council, and will take into account feedback from the Summit and broader community consultation in investigating a fair value.

“I look forward to receiving the result of the review and hope the work will provide key input for the development of a national solar energy buy-back framework,” Mr Hartcher said.

The NSW Government will also begin work on a Solar and Renewable Energy Action Plan to guide NSW's renewable energy development.

Mr Stokes said the Plan will be informed by expert feedback from today's Summit, as well as community consultation.

"While solar energy remains a crucial component of our future energy plans, we cannot consider it in isolation of other renewables or other Commonwealth policies.

"It is vital that we develop a broad Action Plan and continue the discussion to develop an affordable renewable energy future, working with industry and the community," Mr Stokes said.

The Action Plan will define an approach to help the NSW Government meet its renewable energy target of 20% by 2020.

A joint Industry-Government taskforce will inform the development of the plan and include:

- Professor Mary O'Kane, NSW Chief Scientist and Engineer (Chair)
- Dr Brian Spalding, Commissioner Australian Energy Market Commission
- Mark Twidell, CEO Australian Solar Institute
- Matthew Warren, CEO Clean Energy Council
- Government representatives from the Department of Premier and Cabinet, Treasury and the Department of Trade, Investment, Regional Infrastructure and Services

"The Taskforce will help identify – along with Summit and community feedback – what industry and Government can do to increase the proportion of renewable energy in NSW," Mr Stokes said.

Mr Hartcher said today's Summit would help ensure NSW is well-positioned to meet its future energy targets and develop a way forward for solar and renewable energy.

"The NSW Government is committed to renewable energy with a focus on sensible, sustained and affordable progress for renewables."

Written submissions to inform the draft Solar and Renewable Energy Action Plan are invited until **31 July 2011**. Visit www.energy.nsw.gov.au and select 'Solar and Renewable Energy Summit' for further information.