



ACT MINISTERIAL ADVISORY COUNCIL ON AGEING

GPO Box 158 CANBERRA ACT 2601: Ph (02) 6205 5365 Fax: (02) 6207 0592

Mr Alan Travers

Senior Manager, Energy Projects
Department of the Environment, Climate Change
Energy and Water
GPO Box 158
Canberra City 2601

Dear Mr Travers

Discussion Paper – Expanded Electricity Feed-In Tariff Scheme

I refer to your letter inviting the Ministerial Advisory Council on Ageing to comment on the Options for an Expanded ACT Electricity Fee-In Tariff Scheme.

The Council supports the concept of sustainable electricity generation technology and the objectives of the Electricity Feed-in (Renewable Energy Premium) Act 2008. However, we note the financial impost on consumers to support the scheme as advised by the following from the discussion paper:

- Over time the scheme will ‘... represent a significant financial commitment and present issues of equity and affordability for lower income and disadvantaged households within the community.’
- ‘The modelling makes the assumption, common to all economic models, that the legacy of higher retail prices attributable to the Scheme will, over time, reduce disposable income levels leading to diminished economic turnover, consumption and hence jobs.’

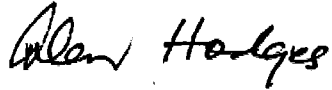
The program also highlights the difficulties associated with public housing tenants in accessing the scheme and the unsuitability of a reasonable proportion of public housing premises. We have recently had a positive outcome with the construction of many new older-persons units under the capital infrastructure program. It would therefore seem appropriate to install solar panels as they are being built.

The cost to consumers of increased electricity costs will affect many aged people who do not have the capital for the initial outlay for solar panels and must conserve what capital they have for unexpected or planned outlays.

While low income households may receive a community rebate for electricity, for many older persons their already existing utility costs are a burden.

In essence the program would mainly benefit middle class home owners at an additional cost to those that are already facing financial hardship, particularly older persons who lack options to compensate for the cost impost. Accordingly, the foreshadowed review of the rebate scheme will be important to ensure that the elderly on low and/or fixed incomes are adequately compensated.

Yours sincerely

A handwritten signature in black ink that reads "Alan Hodges". The signature is written in a cursive style with a large initial 'A'.

Alan Hodges AM
Chair

24 February 2010