

Solar industry must not let Rudd treat it like a doormat

Prime Minister Rudd is developing a reputation for making grand announcements and failing to back them up with anything substantial. This is clearly the case with the CPRS, global climate negotiations, the Green Loans Scheme and so much more, but nowhere is it more brazen than in relation to you – Australia's clean, green and clever solar sector.

Australia's solar sector is no better off under the Rudd Government than you were under the Howard Government. The difference was that under Howard, you knew where you stood. Today, you are given reason to hope with big positive announcements and dollar figures to get the juices flowing, only to find that it never eventuates.

While senior Ministers spend months locked in close negotiations with coal companies and other big polluters to make sure they are satisfied with the CPRS, you in the solar sector, and the renewables industry at large, are often the last to find that the ground has shifted under you yet again.

You hardly need me to remind you that, with recent changes to the Photovoltaic Rebate Program (PVRP), the Remote and Regional solar program (RRPGP) and the Renewable Energy Development Program (REDP), the industry has been informed by press release of critical changes to programs that mean the difference between success and failure to your businesses. You welcomed the Solar Flagships program on Budget night, but, six months down the track, you still only have a press release to rely on for a program that is looking increasingly like an unworkable mess before it begins.

The Government makes promises that hundreds of millions of dollars will flow, they get their positive press, and then they forget about it. When Solar Systems went under last month, not a finger was lifted by Governments to help the company and its highly trained employees and its exciting plans stay afloat. Contrast that with the hair tearing, no expense spared approach if a company in a traditional industry goes bust.

The critical policies that you need, that only the Greens are advocating – a gross national feed-in tariff, including utility scale generators, and debt guarantees against investment – are rejected out of hand by this Government. Our positive amendments and motions are opposed for no reason.

It all goes to show that you, the solar sector, are nothing more than greenwash for this Government, giving them cover for their continued focus on the coal sector and the unproven hope of carbon capture and storage. I remind you that, last year, I urged you to stand up and demand real action or go overseas. Again, I say to you, refuse to give them the photo opportunities they so desperately need until they deliver on their promises. If you don't do this, you would be better off following your colleagues overseas and we in Australia will end up buying back the technology from you that we should have developed here at home and sold to the world.

Yesterday's re-announcement of \$100 million funding for a smart grid is a perfect example of this Government's approach – announce a dollar figure that sounds good but is patently not enough and then forget about the concept. Renewable Energy and the climate crisis demand systemic change, not ad hoc announcements and photo opportunities.

Key points:

- **Photovoltaic Rebate Program (PVRP)**
 - The PVRP had been a disaster, with funding running out and then being renewed after delays over close to a decade. Each time, jobs were lost in the industry and new trainees found, the boom and bust creating unnecessary heartache and cost and ensuring that a self-sustaining industry could not be built in Australia.
 - The introduction of a Solar Multiplier into the Renewable Energy Target (RET) was supposed to see a smooth transition to a better structure. It achieved neither.

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- The transition was bungled and the new structure does nothing to give the industry long-term certainty. It phases down over a few years and undermines the integrity of the RET into the bargain.
- It should be remembered that, when it came to a choice between helping the renewable industry or playing politics, both Labor and the Coalition chose to undermine your business by delaying the RET.
- The Government and Opposition both refused to support Greens amendments to the RET that would have dealt with many of the problems caused by the Solar Multiplier.
- **Remote and Regional Solar Program (RRPGP)**
 - The RRPGP ran out of money and was cancelled.
 - The Greens attempted to ensure that the RET gave remote solar at least some support, but the Government and Opposition refused to support the amendments.
 - Remote communities, including indigenous communities, will now be left with diesel polluting their air and water instead of clean solar, and the world-renowned Bushlight Program is left in jeopardy while the Minister "thinks about" my proposition to fix it.
- **Solar Cities**
 - Has been a highly successful photo opportunity program for the Government, but is on such a small scale that it does nothing to deliver a serious long-term boost to the industry. Everything it has thus far proven about the ability of rooftop solar and energy efficiency to benefit local communities was already known.
- **Solar Flagships**
 - The Solar Flagships program is a prize Hollow Men creation.
 - The \$1.6 billion Budget night announcement was received enthusiastically, since it would have been by far the largest commitment to solar power by any Australian Government and the first acknowledgement that base-load solar was worth investing in.
 - Six months down the track, the Budget night press release is still the only detail available on the program and I have heard from many of you your growing concerns that the program is unworkable and cannot possibly deliver – particularly because the money on offer is insufficient to deliver the goal of 1 gigawatt of solar power.
 - I understand that large scale solar developers have been asked to put in expressions of interest for the program, but still have been given absolutely no detail about how the program might work nor any guide as to what they are actually applying for. How can you apply for something when you don't know what it is?
 - Solar Flagships must be fixed or replaced with something really worthwhile – preferably a substantial debt guarantee program backed up by a gross national feed-in tariff that will support a wider range of technologies and project sizes.
- **Renewable Energy Development Program**
 - If anything, the REDP is even more of a disingenuous mess than Solar Flagships.
 - The REDP as announced back in the Rudd Government's first Budget, was badly designed, ensuring no money would flow in the first year. Several announcements over the course of 2008 were supposed to fix this.
 - Finally, in December 2008, Mr Rudd personally announced changes that would bring forward funding through the program - <http://www.pm.gov.au/node/5396> - promising that \$100 million would be spent in the 08-09 year and \$400 million in 09-10. So far, not one red cent has been spent.
 - Mr Rudd promised that applications for the REDP would be invited "early in the new year". Finally invitations were issued to the solar sector in June, with promises of decisions and money flowing in September.
 - In September, instead of seeing decisions and money flowing, the solar sector was unceremoniously told that the \$135 million in REDP funding allocated to solar no longer exists. Apparently you in the solar sector were supposed to already know that although no notifications had been made, let alone consultation undertaken. Nobody seems to know what has happened to this money.
 - There is still no funding for commercialising technologies before they reach full scale.