

20 December 2012

Queensland Competition Authority
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Sent via email to: electricity@qca.org.au

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Dear Sir/Madam,

Master Electricians Australia is grateful for the opportunity to comment on the Queensland Competition Authority's Draft Report *Estimating a Fair and Reasonable Solar Feed-in Tariff for Queensland*.

Master Electricians Australia Ltd (MEA) is a not-for-profit organisation that provides a national accreditation program to electrical contractors seeking to differentiate themselves from other contractors. MEA is part of the ECA Group of Companies and operates nationally. The organisation's website is: <http://www.masterelectricians.com.au>.

The **Electrical Contractors Association (ECA)** is the leading voice of the electrical industry and is committed to improving and advancing this sector. ECA is registered as an industrial organisation under Queensland legislation with its operation in Queensland. The association's website is: <http://www.masterelectricians.com.au/page/ECA/>

References to MEA and opinions expressed by the MEA, within this submission, should be read as both Master Electricians Australia and the Electrical Contractors Association.

While the Draft Report details a range of factors in relation to calculating a solar feed in tariff MEA has elected to limit our comments to section 3.2, "Defining Fair and Reasonable". MEA would support the Authority's suggestion that feed-in tariffs be funded by electricity retailers, not electricity distribution businesses. Retailers receive a more direct and predictable financial gain from a feed-in tariff arrangement due to the avoidance of costs they may otherwise incur in purchasing electricity from the National Electricity Market (NEM). If the Authority's suggested approach is adopted, it is inevitable that retailers will pass on this added cost to PV users in the form of a reduced feed-in tariff. This will see consumers with solar PV receiving less for the energy they export back into the grid. However, the overall benefit for all Queensland consumers in terms of reducing electricity prices rises would outweigh any negative impact on these individual customers.

MEA welcomes the QCA's review of the solar feed-in tariff. We anticipate this review will result in a more sustainable scheme that provides benefits for all consumers.

Yours sincerely,



Malcolm Richards
CEO