

Dear AER

Key points regarding the likely impact of SAPN proposal and particularly the proposal to reduce day time tariffs up to 3.00pm by 25% but increase night time (after 3.00pm) tariffs by 25% are as follows;

- The suggested savings to consumers are likely in most cases to be totally false and their calculations are based on the assumption that consumers can choose to consume more electricity during the day time reduced rate period and use less after this period in the peak evening period. This is clearly not possible for those who have a day time job and clearly these rates have been designed to charge more when consumers are home and use more electricity.
- I installed a 9kw solar system in December 2017 and since that time I have altered my use as much as possible to consume electricity during daylight hours when for me electricity is free. I wash and dry clothes on the weekends during the daytime, I put my dishwasher on when I get home from work around 4.00pm and on hot days I set the timer on my reverse cycle air-conditioner to pre cool the house in the afternoon. Despite this I have only consumed 3,200kw of my own solar whilst needing to draw from the grid 5,400kw over the last 15 months and this has occurred despite much of my solar system facing west and producing my electricity needs up to 8.00pm during summer. This clearly demonstrates that well over 60% of my power use occurs after the sun has gone down and that I would probably consume 70% of my total electricity requirements after 3.00pm.
- By reducing day time prices by 25% this proposal will reduce the savings made through the installation of solar by a similar percentage. Furthermore, by reducing the day time tariff it is highly likely that retailers will reduce solar feed in tariff offers given they will receive 25% less return for my solar electricity when they on-sell it. This likely reduction in the solar feed in tariff will further erode the feasibility and profitability of existing and new solar installations including commercial installations.
- The net effect will likely be a decline in the uptake of solar installations which must surely be counterproductive to reaching Australia's Paris Agreement Target and the RET's of most State Governments.
- I understand the problem is a surplus of electricity during solar producing hours and the off peak hours before workers and school children arrive home, but the solution is not to discourage further uptake of green energy or to hope that consumers can somehow use electricity when they are not home. The sensible solution is for industry to take up the challenge and build storage capacity to purchase and store this surplus for later use in the peak demand low green energy supply periods.
- Consumers have built the energy generation and sell this electricity back to Gentailers, surely the least they can be expected to do is to build storage to make the whole system work. Indeed this responsibility is also being assumed by our governments who have subsidised numerous commercial batteries and who have allocated many hundreds of millions of dollars towards the likes of Snowy Mk2 and are likely to assist with the Battery Of The Nation in Tasmania and the extra interconnector across Bass Straight.
- The South Australian Government has also contributed towards a new interconnector into NSW which will also enable any surplus SA electricity to be sold into new markets and or used in the future Snowy Mk2 project.
- So there are already many initiatives worth many millions if not billions of tax payers money being dedicated to solve the very problem SA Power Networks is also claiming it is trying to resolve by charging consumers more for electricity when they need it and charging them less during the times they don't need it. Clearly this proposal is one that is designed to protect profits of Industry participants such as the generators, distributor and the retailers.

- It is a total slap in the face to consumers who have installed solar systems under one set of rules which already determines a payback period of several years but to then have industry change those rules such that payback times are increased significantly.
- This proposal will enable electricity providers to purchase electricity from home solar owners at a reduced price and to then store it in batteries or pumped hydro systems which have been subsidised by tax payers and to then sell us back our own electricity at an even higher inflated price later on during peak times in the evenings. To allow this to occur is enough to make ones blood boil and it will only increase the profits of greedy electricity companies and increase the electricity bills of consumers.

Sincerely

Name and Address withheld