

Despite a dull forecast, solar panel market heats up

By Adam Morton

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THE number of households applying for an \$8000 government rebate on the cost of installing rooftop solar panels has risen dramatically, bucking predictions that a means test would ruin the solar power industry.

Federal Environment Minister Peter Garrett will tell a clean energy conference in Melbourne today that applications have risen by more than 150 a week since a \$100,000 means test was introduced in the May budget.

The surge in interest comes despite claims that some businesses had lost up to 80% of clients overnight.

While some had expected he would use today's speech to announce the means test was being lifted because of public pressure, Mr Garrett will instead predict that record growth in household solar systems will continue.

"This confirms that the Government took the right step in bringing funds forward for this program and ensuring that they go to those Australian families that most need financial assistance to install solar systems in their homes," he said.

The clean energy industry last night dismissed Mr Garrett's interpretation as misleading, arguing that a short-term rise in applications was always likely and that the real impact would not be clear for months.

Critics of the means test have argued that few households on less than \$100,000 can afford solar panels, which cost between \$9000 and \$21,000 without the rebate.

Alternative Technology Association energy policy manager Brad Shone said the figures were likely to have been distorted by the recent arrival of mass applications from several new companies offering cut-price solar panels to neighbourhoods that buy in bulk.

"It would be interesting to see who is making these applications. Some of these businesses have hundreds of people on their waiting lists," he said.

Mr Shone said the figures would also have been affected by households who knew their income would exceed \$100,000 in the next financial year, including new parents moving back to a double income, rushing to get in before June 30.

Government figures show the highest number of applications, 794, was recorded in the last week of June. The average for the four weeks before the budget was about 350, rising to 520 for the 10 weeks since.

Markus Lambert, spokesman for clean power company **Energy Matters**, said it had lost some business but a massive fall in sales was yet to come.

Head Office

63-69 Market St
South Melbourne VIC 3205

NSW Office

31 Garnet St
Dulwich Hill NSW 2203

SA Office

43 Weaver St
Edwardstown SA 5039

QLD Office

42 Lacebark Street
North Lakes QLD 4509

TAS Office

110 Elizabeth St
Launceston TAS 7250





He said other factors beyond the means test were helping keep the industry afloat. These included the introduction in some states and territories of incentive schemes for people who generated solar power at home and fed it back into the electricity grid, and fears about rising energy prices under emissions trading.

Markus Lambert - Energy Matters
media@energymatters.com.au
0449 552 190
1300 727 151

