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DATE RECEIVED

P.G. Atherton OAM

Phone/Fax

15th October 2012

The Officer-in-Charge
Queensland Competition Authority
G.P.O. Box 2257
BRISBANE QLD 4001

Dear Sir/Madam,

Submission re Electricity Prices

I am concerned about the impact of home solar power installations on the cost of electricity for other consumers.

Many households, for reasons of cost, house layout, or location, cannot instal solar power, and are finding the increasing cost of electricity difficult to cope with.

The people who have installed solar power units are being paid for their power output significantly more than they are charged for their power input, which I find quite inequitable, although I understand the reason for this, to encourage such installations, with the object of reducing carbon dioxide output from power stations by reducing load. The power fed into the system during daylight hours does decrease powerhouse fuel usage, although not proportionately, as boiler/turboalternator units cannot be easily or quickly shut down, and are less efficient when operated at lower output than that for which they were designed.

However, the power fed back into the system during daylight hours does nothing to reduce peak demand, which occurs outside the hours during which solar power is available, and it is peak demand that determines the capital cost of generation and distribution.

At present people with solar power contribute nothing towards the capital costs of the system. To distribute such costs more equitably I would like to suggest that people with solar power generators pay a substantial annual grid connection fee, based on the capacity of their solar system (ie \$ per kW), because, as I said earlier, solar systems contribute nothing, and in fact consume power, during periods of peak load.

This policy would spread the capital costs of expanding, upgrading, and maintaining the system across all consumers in a much fairer manner.

Yours faithfully,

P.G. Atherton OAM, CPEng (Retired)