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SOLAR FOR ALL!

Solar Citizens' NSW Policy Recommendations



SolarCitizens

Summary

Australians are facing a triple threat: a cost of living, energy and climate crisis. To help address these issues, Solar Citizens presents these policy recommendations for NSW Government.

Who we are

Solar Citizens represents the millions of Australian households who are powering their lives with the sun, and the vast majority of Australians who support the transition to renewable energy and clean transport.

We obsessively pursue the largest opportunities to bring down carbon emissions, whether that's in our energy system through the rapid deployment of rooftop solar, or through the rollout of electric vehicles. We are a charity funded by individual and philanthropic donations, and our campaigns and activities are people-powered.

Our vision is for an Australia where everyone is enjoying the financial and health benefits of clean technology: renewable energy, clean transport, and electrified homes.

With rapid growth to 170,000 supporters since our launch in 2013 and with climate dominating Australia's national debate, Solar Citizens has a critical role to play as the campaigning NGO most focused on positive energy and transport solutions

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Cost of living relief for homeowners

1.

Provide targeted financial support, including interest-free loans, for the rollout of household clean technology, such as small-scale solar and storage, energy efficiency upgrades and electric appliances to replace gas.

Providing support for New South Wales residents to electrify their households and power them with rooftop solar and battery storage is a key solution for helping consumers manage high electricity and gas prices.

In addition to solar, clean technology such as household battery storage, solar hot water or hot water heat pumps, electric heating systems, electric stove tops, and electric vehicles and charging infrastructure, can be smart hip-pocket investments for consumers that also reduce carbon emissions.

A recent report from the Climate Council found that households that switch from gas to fully electric in Sydney can save up to \$924 on their annual bills. Consumers report that the biggest barrier to accessing electric appliances is the upfront cost of making the switch, which the State Government can address by implementing no-interest loans.

A successful example of this working is the Sustainable Household Scheme implemented by the ACT Government; in this well-subscribed scheme no-interest loans of up to \$15,000 are available for clean technology. In just over a year, the scheme has delivered more than \$98 million worth of loans and 5% of all eligible households have participated.

The Tasmanian Government is also running an Energy Saver Loan Scheme, offering eligible Tasmanians loans of up to \$10k for energy efficient products.

2.

Encourage the Federal Government to support more battery storage in New South Wales to reduce electricity bills for consumers and improve grid reliability.

Federal Advocacy

As solar uptake continues to grow, it's essential that more distributed storage is added to the network to minimise stress on the distribution network and ensure the grid can support significant continued solar growth.

The Australian Government has committed to rolling out 400 community batteries with a \$224 million fund. The New South Wales government should advocate that this scheme is initiated quickly and that New South Wales gets its fair share of community batteries.

The NSW Government should also advocate for the expansion of the national Small-scale Renewable Energy Scheme (SRES) to provide additional financial incentive for the installation of battery storage alongside solar. The existing SRES regulation could simply be altered to provide more small-scale technology certificates for installs with storage.

Cost of living relief for tenants

1. Assist the most vulnerable social housing tenants slash their power bills by rolling out a Virtual Power Plant (VPP) on an initial 10,000 dwellings.

A Virtual Power Plant is a network of smart batteries that can be coordinated to act together as a larger power plant and provide electricity to the grid when it's needed.

In South Australia the State Government is in the process of working with Tesla to roll out Australia's largest Virtual Power Plant, including on an initial 4,100 social housing dwellings. In the SA model, solar, storage or both are being installed in social housing dwellings at no upfront cost to the tenants and in exchange the tenants are offered the cheapest electricity in the market.

The positives of VPPs include that they improve energy system reliability by providing grid services when needed, and they allow more households to access cheaper electricity even if their roof is not suitable for solar. In the South Australian example, tenants are estimated to save \$423 per year by being part of the VPP.

2. Provide financial support for at least an initial 10,000 rental properties to install solar.

At the moment access to household solar is strongly correlated with stand-alone home-ownership because renters, social housing tenants and people living in apartments face barriers to installing solar.

State Governments, such as the Victorian and Queensland governments, have implemented programs to help overcome this inequality. The Victorian Government's Solar Homes program provides rebates of up to \$1,400 for landlords to install solar on their property – helping to slash electricity bills for tenants while increasing the property value. The Victorian program also allows not-for-profit social housing providers to apply for the solar rebate on behalf of their tenants, and importantly, the solar rebate program is coupled with an option to access a no-interest loan.



Meanwhile in Queensland, the State Government started running a trial program in 2019 to increase the uptake of rooftop solar on rental properties. Rebates of up to \$3,500 were offered to landlords to take part in the trial and install a solar system on their rental properties in the Gladstone, Bundaberg and Townsville Local Government Areas.

Overall, 670 properties had solar installed during the trial, and the results demonstrate that tenants were on average \$600 a year better off after the solar was installed, while landlords could pay off the system in under 10 years by slightly increasing rent. In Queensland we are asking for this small trial to be expanded for the whole of the State.

As power prices continue to rise, largely due to high global coal and gas prices, it's essential that support is provided for as many people as possible to access the cheapest form of electricity: behind-the-metre solar.



“ It was hard to fit the electricity and gas bill into a single income. At times it felt like we had to choose between cooking food and using electricity. We even bought new electric appliances to rely less on gas because it was so expensive.

Since moving into this house I'm not worried about the electricity we use. I'm happy. The solar has been a helping hand in my pocket.

”

– Kara, participant in Queensland's Solar for Renters trial

3.

Work with the Federal Government and other Australian states and territories to deliver an ambitious National Framework for Minimum Energy Efficiency Rental Requirements, and ensure mandatory minimum energy efficiency rental standards are implemented as soon as possible in New South Wales.

Mandatory disclosure of rental energy efficiency ratings should also be implemented to ensure compliance.

Federal Advocacy

Improving energy efficiency in existing rental properties has positive hip-pocket and health benefits for tenants, and is a key action for bringing down Australia's residential emissions. More than 30% of Australians live in rental properties, and these people have limited access and control for ensuring their homes are comfortable and efficient.

Landlords currently have very little financial incentive for upgrading their rental properties, so it's up to governments across the country to introduce regulation to ensure that the efficiency standard of rental properties improves.

We support the Healthy Homes for Renters Community Sector Blueprint, which states:

As an overarching objective, minimum energy efficiency standards for rentals should improve the thermal comfort and minimise the energy consumption of rental homes to reduce energy bills and support the health and wellbeing of people who rent, as well as contribute to a zero-emissions energy sector in line with limiting warming to 1.5°C.

This will require a mix of measures including:

- 1. Maximising the thermal efficiency of a building as far as reasonably possible first;*
- 2. Efficient electric appliances like hot water, heating and cooling, fridges, washers, and dryers; and*
- 3. Renewable energy production and storage.*





4. Implement a Community Energy Hubs program in ethnically and linguistically diverse communities, which enables consumers to understand their electricity bills and better engage with clean energy and energy efficiency rebates and incentives.

Community Energy Hubs in metropolitan areas that suffer from extreme weather and rely on reverse cycle air conditioners for temperature regulation are therefore more vulnerable to rising energy costs.

Community Energy Hubs would enable these vulnerable communities to be able to access in-person advice on how to read and understand their power bills, how to reduce energy consumption, and access programs for clean energy such as solar and energy efficiency programs. We look to the work the Sydney Alliance has been doing in this area to promote Community Energy Hubs in Western Sydney.

5. **Support for First Nations Communities**

Remote First Nations communities in Australia face some of the highest temperatures nationally, worsening energy insecurity for residents who mostly prepay for access to electricity. Without the protections from disconnection available in the National Energy Market (NEM) many households who prepay for access to electricity in remote First Nations communities experience disconnection at rates unseen in the NEM, significantly impacting health and wellbeing.

First Nations renters and social housing tenants should be provided with greater protections from disconnection and access to schemes for solar and storage solutions to address worsening energy insecurity.



6.

Support for changes to Federal tax laws that incentivize clean energy for renters

Federal Advocacy

Australian homes generate one fifth of our carbon emissions. Yet 30% of Australians living in rental properties are currently locked out of clean energy electrification and distributed energy resources. We ask the federal government to address this issue by implementing a targeted program to overcome this inequality.

This would include a carrot-and-stick approach. Tax concessions would be granted for landlords to purchase and install clean energy and energy efficiency upgrades to rentals, including replacing gas appliances and heating with electric appliances, with eligibility for accelerated tax depreciation of these assets. Penalties would progressively come into place if landlords do not opt into these programs. This would be done through minimum rental standards and reporting.



Clean Transport Policy Asks

Addressing Equality

1. Encourage the uptake of electric bikes

The NSW Government should offer a 30% rebate (up to \$1500) for the purchase of an e-bike (including e-cargo bikes) for personal use, applied at the point of purchase to enable e-bikes to be accessible to more people. Purchase price remains one of the main barriers to e-bike uptake, and current EV incentives exclude e-bikes. Recent modelling shows a return on investment of \$3.11 for each dollar invested in a \$500 e-bike rebate.¹

For lower income groups, e-bike uptake could be increased via an e-bike library scheme or borrowing programs, partnering with Local Government.

E-bikes can be used by more social groups (including women, children, and the elderly), and have a wider variety of uses than conventional bikes, such as school drop-offs and grocery shopping. By shifting more trips to e-bikes, especially short trips, congestion can be reduced.

2. Increase the accessibility of EVs for low income households

The NSW Government currently offers generous financial incentives to reduce the upfront cost of purchasing EVs under \$68,750, such as a stamp duty exemption and a \$3000 rebate. As most Australians do not buy new cars, extending subsidies for second-hand EVs is crucial, particularly for low-income households.

The second-hand EV subsidies should only be available to vehicles after at least 1 year after the purchase date, to avoid “scalping” – the onselling of new vehicles at a higher than purchase cost – and should be means-tested, ensuring lower income households can access the scheme.

1. Asia-Pacific Society for Physical Activity, 'Three Transport Priorities', 2022



3. An Electric Vehicle Sales Target with integrity

The New South Wales Government currently has a sales target for EVs as 52% by 2030-31 and “the vast majority of new car sales being EVs” by 2035. Other jurisdictions such as the ACT have been far more clear, and committed to 80-90% of new car sales being EVs by 2030 and 100% by 2035 – in line with the European Union. The NSW Government should also adopt a sales target of 100% by 2035, or at least indicate what a “vast majority” refers to.

Regardless of ambition, State and Territory Governments will not be able to reach their sales targets without intervention from the Federal Government to implement a robust Fuel Efficiency Standard by 1st of January 2024, and NSW should continue to pressure their Federal counterparts not to delay with this.





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A community voice for clean energy and transport

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