



The Solar Continent

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The Liberal Party has markedly [changed its tune](#) on solar power since it got kicked out of office, with shadow environment minister Greg Hunt calling for a national feed in tariff for solar power and declaring he "has a vision of Australia becoming a solar continent" at the [Climate Action Network Australia](#) Conference in Sydney.

Hunt went on to say "'giant dishes, large fields of mirrors, these are one of the forms of power stations of the future" and "an important part of Australia's future energy" - all of which indicates he is on board with the vision of large scale [solar thermal power](#).

From the [Sydney Morning Herald](#) report:

The federal opposition has called for a national solar payment to encourage more home owners to generate solar power. The Queensland and South Australian governments have approved such tariffs, which pay households above the retail rate for electricity generated by solar panels.

Opposition environment spokesman Greg Hunt on Monday said a draft plan should be prepared for a national tariff which has a guaranteed rate of pay for solar electricity feedback into the grid. "We should be aiming for more than a piecemeal approach," Mr Hunt says in notes for a speech given in Sydney on Monday. "A national solar feed-in tariff could provide an immediate boost to domestic solar power uptake." Prime Minister Kevin Rudd and state premiers agreed last month to consider options for a harmonised approach to renewable energy feed-in tariffs.

Mr Hunt also told the Climate Action Network Australia conference that the nation needs to develop large-scale projects to create baseload solar power. "Much needs to be done on this front in relation to cost, reliability and storage of energy. I am, however, convinced that solar baseload can be developed to contribute to average daily base energy needs and over time energy storage technology can be developed to allow full baseload operation derived from solar energy.

[The Australian](#) also has a report:

AUSTRALIA must invest far more heavily in solar power, including it as a mainstream energy source in the national grid, Opposition environment spokesman Greg Hunt has

said.

In a speech to be delivered to a climate change conference today, Mr Hunt will spell out the Coalition's vision for a "solar continent", in which the energy source could be stored and sold on the market like coal-generated, baseload power. "In short, we want to set Australia on a path to being a country where everyone willing to invest is within reach of running a solar home," Mr Hunt will tell the two-day Climate Action Network Australia Conference in Sydney.

This would include a national feed-in tariff - a guaranteed rate of pay for solar electricity fed back into the grid by small solar generators, including private households. To date, South Australia and Queensland have approved solar feed-in tariffs that guarantee 44c per KWH of solar energy, but the Coalition wants a truly national scheme.

Mr Hunt said the Coalition's solar strategy had two broad components - increased use of solar photovoltaic power to boost short-term peaking capacity and solar baseload power generated by solar concentrators.

He argues solar energy using photovoltaic panels offers the best and most efficient means of providing zero-emissions energy during periods of peak power use. "In this context, we want to set a clear policy direction of substantially increasing the take-up of Solar PV throughout Australia," he says. And more should be done to encourage the use of solar hot water heaters in both homes and schools. Currently solar heaters are used by only one in 20 Australian homes.

Realising the solar vision would mean the development of baseload power providing storage and conversion capabilities, Mr Hunt told The Australian. "I think that the technology has moved in the last two years. The big move is that globally you are beginning to see storage. There's now no doubt in my mind that it will be a technically viable baseload energy form over time."

The 154 MW solar concentrator being constructed at Mildura, Victoria, will be the largest solar station in the world and the first major local plant generating baseload power.

I think the belief that the Mildura plant will be the world's largest solar power plant is well out of date, but it's still a significant first step.

Robert Merkel at [Larvatus Prodeo](#) is rather critical about the scheme, focusing on the economics of small scale solar PV and ignoring the solar thermal aspect, which is where the real prize lies in the medium term.

While it's clear that solar PV isn't cost competitive with coal, gas, wind or solar thermal power, it does have some advantages that he overlooks - it generates power during peak load times (thus reducing the need for peaking plants) and delivers power where it is needed (thus reducing the need for additional grid capacity). It also delivers some intangible "energy security" to the "operator" in the event of any disasters befalling the grid or power generating units.

It may just be that Greg Hunt knows he's never actually going to have to justify his policy ideas to Treasury or the Productivity Commission. But, at the moment, you'd swear he was the Greens environment spokesperson, not the Liberal Party's. He's proposing a whole raft of measures to promote the development of solar energy in Australia.

Of most direct short-term interest is the proposal for a national “feed-in tariff” scheme. To explain this, first some background. If you’ve got access to grid electricity, solar panels are currently financial lunacy. The solar system I’m currently being quoted on (thanks to commenter wilful for the tip) costs about \$12,000, and generates about \$225 worth of electricity every year. By contrast, if I left that \$12,000 in the bank, I’d get at least double that after tax. If I put the money into a share fund, over the course of a decade I’d probably do much better again. I’d be able to pay for GreenPower from my electricity supplier, and have a considerable pile of money left over.

So why am I looking at solar cells? Because of the massive government rort known as the Photovoltaic Rebate Programme. Essentially, the government will pay \$8000 towards the cost of my 1 kilowatt installation. I only have to pay somewhere around \$4000, and it works out pretty close to cost effective.

This is, as previously stated, extremely silly policy. The same government money subsidising wind turbines, or, better still, energy efficiency in government buildings, would achieve far greater emission savings. Even if you want to specifically subsidize solar cell technology - and I fail to see why you would, given that there’s every likelihood that other forms of renewable energy will be far cheaper - it’s still dumb policy. Why? Because the rebate is limited to 1 kilowatt systems. It would make far more sense to build bigger solar arrays on factory roofs, because the cost of building one 100-kilowatt photovoltaic array is much smaller than the cost of 100 1-kilowatt arrays. But the subsidies don’t work that way.



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