



THE GOVERNMENT OF NORFOLK ISLAND

MEDIA RELEASE

Positive outcomes from private solar power generation

Minister for Finance Neville Christian said today that the Norfolk Island Government's initiatives which encourage electricity users to install photovoltaic cells have begun to reduce the operating costs of the Norfolk Island power house.

"There has been a very good response by householders and small business to the Government's support for solar renewable energy generation", Mr Christian said. "This is not only good for the environment, but has also resulted in a reduction of around 7% in the consumption of diesel fuel at the power house. This means that, although there was a rise in the cost of diesel received from last week's tanker, there will be no increase in the electricity tariff".

Mr Christian said that a considerable number of electricity consumers had installed photovoltaic generation systems, taking advantage of a Commonwealth subsidy and the refund of duty or GST by the Norfolk Island Government. Local consumers are also able to reduce their quarterly bills through the ability to return surplus power generated to the electricity grid.

The Minister said that the Commonwealth had now replaced its subsidy scheme with a Solar Credits programme. Full details of that initiative are available from http://www.climatechange.gov.au/renewabletarget/publications/pubs/solar_credits-fs.pdf or the Office of the Administrator on 22152.

Mr Christian said that there would be some increases in the prices for unleaded petrol and diesel fuels resulting from the costs of the deliveries from the recent tanker. He said that although world prices for petroleum products had risen quite significantly since the last shipment, this had been partly offset by the appreciation of the Australian Dollar against the United States currency.

The Minister said that Norfolk Energy would continue to publicise its wholesale prices to encourage price competition between fuel retailers. Mr Christian said that the new wholesale prices effective from first deliveries on or after 14 September 2009 would be:

| | | |
|-----------------------|---------|------------------------|
| Unleaded petrol (ULP) | \$ 1.76 | per litre (up 5 cents) |
| Diesel (ADO) | \$ 1.63 | per litre (up 4 cents) |
| Kerosene | \$ 1.72 | per litre (unchanged) |
| Jet A-1 | \$ 1.54 | per litre (unchanged) |

Neville Christian
Minister for Finance

11 September 2009