



Dear Business Owner,

Bellingen Solar is a family run business based in the Crossmaglen Valley. Our focus is on solar power installation and service for Mid North Coast residents and businesses. We carry out grid-connected and stand alone power system installations. All our installations are conducted by Bellingen Solar's tradesmen and apprentices.

We would like to take this opportunity to demonstrate some of the benefits to your business of installing your own grid-connected solar power system.

FINANCIAL BENEFITS TO BUSINESS

Feed in Tariff

The NSW government has recently announced a \$0.60 per kWh gross feed in tariff for renewable energy production. This will save businesses thousands of dollars every year. Country energy currently charges 22.47 cents ex GST per kWh for commercial customers. The feed in tariff is available to businesses that use less than 160MWH of electricity per annum. If you are using more than 160MWH per annum your bill for power would exceed \$38,000 per year at the current Country Energy rate.

RECS Rebate

Businesses are now eligible for a rebate based on the market value of RECs.

50% tax bonus

If a business commits to purchasing a system before Christmas 09 they may also be eligible for the 50% tax bonus. The system installation must then be completed before Christmas 2010 to receive the tax bonus.

Cost savings

Coupled with the recent increases in the price of electricity and the certainty of rapidly escalating costs, solar energy has now become a financially attractive option for businesses.

Greenhouse Gas Reductions

The contribution that businesses can make to the reduction in greenhouse gases will also be invaluable in the fight against global warming.

We are currently offering a no-obligation site assessment. For businesses who would like to install a system but rent their premises an agreement would have to be made with their landlord.

We invite all local business to join our Solar for Business program.

There has never been a better time to install a grid-connected solar energy system. The panels we install have a 25 year warranty so Install now and enjoy the benefits for decades.

Yours Sincerely,

Steven Doyle

SOLAR POWER BENEFITS TO BUSINESS 10KW SYSTEM

10kW system –Will produce an average of between 36-40 kWh of electricity per day

System Cost	\$71,352.90 inc gst
Business claims GST. Cost to business now	\$64,866.27
50% depreciation bonus before Christmas Tax deduction \$32,433.14 Benefit to business with Tax of rate 30%	-\$ 9,729.94
Depreciate system by 20% per annum based on \$64,866.27 (purchase price less gst). Tax deduction \$12,973.25 per year Benefit to business with Tax of rate 30% \$3891.98 per annum or \$19,459.90 over 5 years	-\$ 19,459.90
Rebate RECS 331 @ \$29 (exc gst)	-\$ 9,599.00
Total benefit rebate and tax over 5 years	\$ 38,788.84
Cost for a 10KW system after gst is claimed	\$ 64,866.27
Costs include standard installation.	
Cost of system after rebates and depreciation (Over 5 years)	\$ 26,077.43

Energy production based on 40kWh per day production
And a feed in tariff of \$0.60 per kWh = \$8,760.00 per annum
Energy production benefit over 5 years. +\$ 43,800.00

In this scenario a 10kW system returns your initial investment and shows a profit of \$17,722.57 over 5 years.

Years 5 to 7 you will save an additional \$17,520.00 off your electricity costs.

Your grid-connected solar power system will produce renewable energy for decades.

Our costing is based on an estimate of a 10KW solar system producing an average of 40KWH per day over a 12 month period. Note system performance may vary. RECS valued at \$29.00 (RECs price may vary). Owners being eligible for the NSW government gross feed in tariff of \$0.60 for every KWH of energy produced by their system.(To be introduced in the New Year). The current Country Energy business rate for electricity is 22.47 cents per kWh ex gst.

We stress that you should have your accountant confirm the benefits to your business.

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SOLAR POWER BENEFITS TO BUSINESS 3KW SYSTEM

3.1kW system –Will produce an average of between 10-13 kWh of electricity per day

System Cost	\$ 23,677.00 inc gst
Business claims GST. Cost to business now	\$ 21,524.54
50% depreciation bonus before Christmas Tax deduction \$10,762.27	
Benefit to business with Tax of rate 30%	-\$ 3,228.68
Depreciate system by 20% per annum based on \$21,524.54 (purchase price less gst). Tax deduction\$4,304.90 per year	
Benefit to business with Tax of rate 30% \$1,291.47 per annum or \$6,457.35 over 5 years	-\$ 6,457.35
Rebate RECS @ \$33	-\$ 6,237.00
Total benefit rebate and tax over 5 years	\$ 15,923.03
Cost for a 6.3KW system after gst is claimed	\$ 21,524.54
Costs include standard installation.	
Cost of system after rebates and depreciation. (Over 5 years)	\$ 7,723.04

Energy production based on 12KWH per day production
And a feed in tariff of \$0.60 per KWH = \$2,628.00 per annum

Energy production benefit over 5 years. +\$ 13,140.00

In this scenario a 3.1KW system returns your initial investment and shows a profit of \$5,416.96 over 5 years.

Your grid-connected solar power system will produce renewable energy for decades

Our costing is based on an estimate of a 3KW solar system producing an average of 12kWh per day over a 12 month period. Note system performance may vary. RECS valued at \$33.00 Owners being eligible for the NSW government feed in tariff of \$0.60 for every KWH of energy produced by their system. (To be introduced in the New Year).

The current Country Energy business rate for electricity is 22.47 cents per kWh ex gst

We stress that you should have your accountant confirm the benefits to your business.

SOLAR POWER BENEFITS TO BUSINESS 1.6kW Expandable SYSTEM

1.6kW system –Will produce an average of between 5-6 kWh of electricity per day. The system may be expanded at a later date to a maximum 3.5kW array.

System Cost	\$ 13,906.00 inc gst
Business claims GST. Cost to business now	\$ 12,641.81
50% depreciation bonus before Christmas Tax deduction \$6,320.90 Benefit to business with Tax of rate 30%	-\$ 1,896.27
Depreciate system by 20% per annum based on \$12,641.81 (purchase price less gst). Tax deduction\$2,528.36 per year Benefit to business with Tax of rate 30% \$758.50 per annum or \$3,792.50 over 5 years	-\$ 3,793.50
Rebate RECS @ \$33	-\$ 5,148.00
Total benefit rebate and tax over 5 years	\$ 10,837.27
Cost for a 1.6KW system after gst is claimed Costs include standard installation.	\$ 12,641.81
Cost of system after rebates and depreciation. (Over 5 years)	\$ 1,804.54
Energy production based on 6KWH per day production And a feed in tariff of \$0.60 per KWH = \$1,314.00per annum	
Energy production benefit over 5 years.	+\$ 6,570.00

In this scenario a 3.1kW system returns your initial investment and shows a profit of of \$4,765.46 over 5 years.

Your grid-connected solar power system will produce renewable energy for decades.

Our costing is based on an estimate of a 1.6kW solar system producing an average of 6KWH per day over a 12 month period. Note system performance may vary.

RECS valued at \$33.(RECs price may vary). Owners being eligible for the NSW government feed in tariff of \$0.60 for every kWh of energy produced by their system (to be introduced in the New Year). The current Country Energy business rate for electricity is 22.47 cents per kWh ex gst

We stress that you should have your accountant confirm the benefits to your business.



Grid-Connect Solar Energy

Includes: Solar panels, inverter as defined, standard frame and standard installation.

							REC =	\$33		
Syst em #	Type	Numb er of Panels	Panel size	Inverter	Average Output#	Avera ge CO2 Saved	Total Cost	# of REC 's	Total Rebate	Final Cost
1	1 kW expandable to 2 kW (1050 watts)	6	175W	SB1700	4 kWh/day	1700 Kg/yr	\$10,452	21	\$4,158	\$6,294
2	1.5kW (1520 watts)	8	190w	SB1700	6 kWh/day	2805 Kg/yr	\$12,750	31	\$5,115	\$7,635
3	1.6 kW expandable to 3 kW (1575 watts)	9	175w	SB2500	6 kWh/day	2805 Kg/yr	\$13,306	32	\$5,148	\$8,158
4	1.6 kW expandable to 4 kW (1575 watts)	9	175w	SB3000TL Or Power1 3.6	6 kWh/day	2805 Kg/yr	\$13,906	32	\$5,148	\$8,758
5	2.1 KW expandable to 3 kW (2100 watts)	12	175w	SB2500	8 kWh/day	3400 Kg/yr	\$17,823	43	\$5,511	\$12,312
6	2.8kW (2800 watts)	16	175w	SB2500	11 kWh/day	4800 Kg/yr	\$21,223	58	\$6,006	\$15,217
7	3.1 kW (3150 watts)	18	175w	SB3000TL	12 kWh/day	5100 Kg/yr	\$23,474	65	\$6,237	\$17,237
8	4.2 kW (4200 watts)	24	175w	SB3800	16 kWh/day	6800 Kg/yr	\$29,610	87	\$6,963	\$22,647
9	5.2 kW expandable to 6.8 kW (5250 watts)	30	175w	SMC6000	20 kWh/day	8500 Kg/yr	\$38,332	108	\$7,656	\$30,676
10	6.3 kW (6300 watts)	36	175w	SMC6000	24 kWh/day	10,200 Kg/yr	\$44,313	130	\$8,382	\$35,931
11	8kWExpandable to 9.8KW (8050 watts)	42	175w	2x SB4000TL	24 kWh/day	13,600 Kg/yr	\$56,230	166	\$9,570	\$46,660
12	10kW (9975watts)	57	175w	2 x SB5000TL	24 kWh/day	17,000 Kg/yr	\$71352	206	\$10,923	\$60,429

Performance figures are based on optimum array orientation and sun exposure. No shading. All prices include GST and are subject to change without notice. Additional costs for pitching frame (if required) \$60 per panel.

Standard Installation: Typical single story residence with North facing roof. Local area. Additional costs may be incurred if roof pitch is very steep, access through the roof is difficult or a scaffold is required. The existing panel must have enough space to install a solar supply circuit breaker and accommodate a 2-way meter installed by Country Energy (currently free of charge)

System Features: Solar Panels made by Suntech Power - 25 year warranty. Inverter made in Germany by SMA - 5 year warranty (upgradeable to 10 year).

10 year inverter warranty upgrade. Up to 4KW \$330. 4-9KW \$470. 9-12KW \$630. Sunny Beam display \$594

Rebates: The Commonwealth Government 'Solar Credits' rebate is capped at 1.5 kW (31 REC's).

REC's: Renewable Energy Certificates are a tradable commodity. The price of REC's can vary at short notice. Rebate forms will be provided. Your rebate will vary in line with RECs.

Feed-in Tariff: The NSW government has recently released details of its feed-in tariff. The proposal is to pay \$0.60 per kWh for energy produced January 2010. If a 1.5kW system was installed on a conventional house it would produce an average of approx 6kWh of energy per day. This would translate to \$3.60 per day or up to \$1314.00 per year

Battery Back-up: Standard grid-connect systems do not produce energy when mains power has failed. This is to protect Country Energy line workers. To take advantage of your solar energy when mains power has failed a battery back-up system can be installed. Prices for a battery back-up system start from around \$8K on top of standard grid-connect packages.

BELLINGEN SOLAR QUALIFICATIONS

We are:

- Clean Energy Council accredited solar designers and installers with over 18 years industry experience.
- Licensed electrical contractors.
- Country Energy accredited Level 2 service providers

Bellingen Solar embrace the technology we sell. The electricity for our office is 100% renewable. It is generated by a combination of solar, hydro and wind energy.

SUNTECH GRID-CONNECTED SOLAR SYSTEMS

Suntech Power is headed by Dr Shi, an Australian citizen who holds a PhD in Electrical Engineering from the University of NSW (UNSW). Dr Shi's success story is well-documented globally and after 8 years has not only created the largest PV manufacturing company in the world, but linked much of the ongoing research and development activities to UNSW. Dr Stuart Wenham of UNSW is employed as the Chief Technical Officer for Suntech.

Suntech grid-connect systems feature:

- High efficiency mono crystalline construction.
- Outstanding low light performance.
- The panels have a 25 year power output warranty.
- The inverters have a 5 year warranty (Upgradeable to 10 years).

SMA INVERTERS

SMA inverters are made in Germany and have exceptional reliability. The new SB3000TL models features the highest efficiency we have seen. Max 97% Euro Average 96%. Warranty 5-10 Years.

50% TAX BONUS

A 50% depreciation bonus may be available on the total cost of the system allowing a business to depreciate 150% of the system cost. Check with your accountant for details (*See tax attachment for further details*).

DEFINITIONS

Standard Installation:

Typical single story residence with a north-facing roof. Local area (Nambucca Heads to Halfway Creek to Ebor). Additional costs may be incurred if roof pitch is very steep or a scaffold is required or access through the roof is difficult. A pitching frame may be required for flat roofs, cost \$60 per panel. The existing meter panel must have enough space to install a solar supply circuit breaker and accommodate a 2-way meter to be installed by Country Energy (currently free of charge).

The Solar Rebate:

The Commonwealth Governments 'Solar Credits' rebate is capped at 1.5 kW or (31 REC's).

Renewable energy credits or REC's are the basis for the solar rebate.

REC's are a tradeable commodity and the price fluctuates due to supply and demand. The solar rebate is based on 5x the value of the REC's generated by systems up to 1.5kW. For system capacity above 1.5kW or 31 RECs the single value of RECs applies.

Value of REC's on 29/11/09 = \$29.00

Calculation

A 1.5KW system generates 31 REC's.

REC's Rebate $31 \text{ REC's} \times \$29 \times 5 = \$4,495.00$

NSW Feed-in Tariff:

The NSW government has recently released details of its Gross feed-in tariff. The proposal is to pay \$0.60 per kWh for all the energy produced by your system. It is due to start January 2010. If a 1.6 kW system was installed on a conventional house it would produce an average of around 6 kWh of energy per day. This would translate to \$3.60 per day or \$1314 per year for a 1.6KW system.

Battery Back-up:

Standard grid-connect systems do not produce energy when mains power has failed. This is to protect Country Energy line workers. To take advantage of solar energy when mains power has failed a battery back-up system can be installed. Prices for a battery back-up system start from around \$8000 on top of standard grid-connect package prices. Battery back-up may be added at a later date if desired

ATTACHMENT

REGARDING THE BUSINESS TAX BREAK WHAT IT MEANS FOR YOUR BUSINESS

- To help Australian businesses, a temporary tax break is available on plant and equipment you need to buy to keep your business running.
- The tax break is not a refund, rebate or tax offset. It's a tax deduction to reduce the assessable income of your business. Deadlines apply.
- 50% tax break for businesses with turnover less than \$2 million.
- If you own a small business that turns over less than \$2 million a year, you can claim an extra 50% tax deduction on the cost of eligible assets which cost \$1,000 or more.
- To qualify, the asset must be bought between 13 December 2008 and 31 December 2009 and be installed by 31 December 2010.
- 30% or 10% tax break for businesses with turnover of \$2 million or more.
- Larger businesses may qualify for an extra tax deduction on eligible assets which cost \$10,000 or more.
- To qualify for the 30% tax deduction, the asset had to have been bought between 13 December 2008 and 30 June 2009. It will need to be installed by 30 June 2010.
- The 10% tax deduction is available depending on when the asset was bought. It needs to be installed by 31 December 2010.

What can I buy?

The tax break covers new, tangible, depreciating assets such as:

- Grid-connect Solar Energy
- cars, vans, trucks and other business vehicles
- computer hardware (but not software)
- tools
- furniture.

It also covers capital improvements to existing machinery and equipment.

Where do I find out more?

Contact your tax adviser, visit the website www.australia.gov.au/businessstaxbreak
Phone the business tax break info line on 1300 337 921