



Queensland – How to get value for your solar PV system and feed-in tariffs explained

This factsheet provides information about how to maximise the value of your solar power through feed-in tariffs and the set-up of your solar power system.

What is a feed-in tariff?

A feed-in tariff is a payment made in exchange for electricity that is fed into the electricity grid from the generation of renewable energy, such as solar PV.

Retailer-paid feed-in tariffs

Retailers offer feed-in tariffs at different rates. Retail electricity offers may include several components such as the daily fixed charge for being connected to the network, the electricity usage charge, any discounts applied to the fixed or usage charges, and the feed-in tariff for electricity you export to the electricity grid.

How is the retailer-paid feed-in tariff rate determined?

For customers in South-East Queensland, retailers voluntarily offer competitive feed-in tariff rates. The Queensland Competition Authority (QCA) monitors and reports annually on the feed-in tariffs provided by retailers. The QCA's 2017 report advised that customers have access to feed-in tariffs of between 4c per kWh and 11c per kWh. There is no requirement for retailers to offer a feed-in tariff in South East Queensland, and as these tariffs vary between retailers, it is important to shop around for the best feed-in tariff that will meet your circumstance.

In regional Queensland, customers connected to the Essential Energy (provided by Origin) and Ergon Energy networks are eligible for the regional feed-in tariffs. These are set by the QCA, and for the 2019-20 year the minimum tariff is 7.842 cents per kWh.

Time-varying feed-in tariffs

Customers in regional Queensland connected to the Ergon Energy network also have a time-varying feed-in tariff option available to them. Rather than the default fixed tariff of 7.842 cents per kWh, these customers are able to receive a varying feed-in tariff dependent on the time of day they are feeding energy back into the grid.

Energy supplied by a customer during peak periods (between 3pm and 7pm) will attract a feed-in tariff of 13.730 cents per kWh, and during off-peak periods (any other time) will attract a feed-in tariff of 5.796 cents per kWh. To take advantage of these tariffs, you are required to have certain metering arrangements. Contact Ergon Energy Retail for more information about this tariff.

Maximise the value of your renewable energy by shopping around

South-East Queensland customers have a range of options available to them. To maximise the value of your solar power, you should shop around for an electricity retailer that provides the best feed-in tariff rate for your circumstances.

However, the feed-in tariff offer is only one component of your final retail electricity bill. A retail electricity offer with an attractive feed-in tariff may come with less appealing features such as higher fixed charges or less attractive usage discounts.

Make sure you consider all components of the retail offer to seek out the product that best suits your circumstances.

To compare retail electricity offers, visit the Australian Energy Regulator's independent price comparator website, Energy Made Easy. This tool is used to compare energy retail costs, and provides information regarding tariffs available from retailers. To ensure you are obtaining the best offer for your circumstances, use this tool in conjunction with other information, such as that available in QCA's annual reports on potential annual bills for typical solar customers with different retailers.

Which feed-in tariffs are now closed to new applicants?

The QLD Government introduced the Solar Bonus Scheme to encourage eligible customer groups including households, community groups, and small businesses to invest in their own solar PV generation systems. This scheme was run for new connections between 1 July 2008 and 10 July 2012, and is now closed to new applicants. This scheme offered a distributor-paid feed-in tariff of 44c per kWh, and finishes on 1 July 2028.

The QLD Government also offered a transitory scheme between the dates of 11 July 2012 and 30 June 2014. This scheme offered a distributor-paid feed-in tariff of 8c per kWh, and is now closed with the scheme ending on the 30 June 2014.

Am I affected by the part closure of the Solar Bonus Scheme?

Customers who connected between 11 July 2012 and 30 June 2014 who were benefiting from the transitory scheme with a distributor-paid feed-in tariff of 8c per kWh no longer receive this tariff.

Customers of the Solar Bonus Scheme who applied for the scheme before 10 July 2012 and currently receive feed-in tariffs at 44 cents per kWh are not affected by the part closure of the scheme. If you are one of these customers, you will continue to be paid feed-in tariffs at this rate by your distributor until 1 July 2028 (as long as your eligibility for the scheme has not changed).

Ongoing eligibility for this scheme can change when altering the capacity of your system, changing the electricity account holder, or using other alternative energy sources, amongst other things. More information on maintaining your eligibility for the Solar Bonus Scheme is provided by the Queensland Government. Speak to your retailer if you are unsure whether this applies to you.

Do I have to change my meter?

All new and replacement electricity meters installed in homes and small businesses are now required to be smart meters. This includes new connections and installations of solar PV systems.

'Smart' meters (also known as digital meters) help to better understand your electricity consumption patterns and better manage your usage. These meters allow for monitoring through mobile apps, better consumption tracking for billing, faster services for switching and connecting services, and faster fault detection and restoration of supply.

Smart meters allow for net metering, which means electricity generated with your solar PV system is first used to meet any household consumption that takes place at the time of generation. You then receive a feed-in tariff for exporting any electricity in excess of your consumption to the electricity grid.

By monitoring household electricity consumption, solar PV customers can better manage their electricity use and schedule consumption to maximise the use of their solar PV generated electricity, instead of unnecessarily purchasing electricity from the electricity grid.

As of 1 December 2017, new rules for electricity metering came into effect as per new policy introduced by the Australian Energy Market Commission (AEMC) which cover all Queensland customers (with the exception of the Mt. Isa-Cloncurry network, Weipa, and other remote communities of Ergon Energy).

Under these new rules, electricity retailers are now responsible for providing metering services, of which all new and replacement meters will be smart meters. This means that if you are unhappy with the price or kind of smart meter your retailer offers, you will be able to shop around to find a better deal.

Make the most of your solar power

To maximise the value of your solar PV generated electricity, consider some of the following options to ensure you are using your own generated solar power before paying to use electricity from the grid. This can be done by using timers on appliances such as dishwashers and washing machines, and running these appliances during daylight hours. If heating or cooling in your household is powered by solar PV generation, consider pre-heating or pre-cooling your house to take advantage of unused solar electricity generated in daylight hours. This can be done by programming electric heating or cooling appliances to switch on early in the day, but set at a relatively conservative temperature.

Battery storage

Batteries allow households to store solar power for use during non-daylight hours. However adding battery storage to your household may involve a high upfront cost. The overall value of investing in battery storage will differ based on the upfront cost, the retail rates available and your location.

Differences in the weather and the size of your solar PV system will determine the amount of electricity your system will generate. Smaller renewable energy systems mean less unused electricity is generated to store and use when the sun is not shining. Make sure you compare the overall benefits with the total costs before investing in battery storage, and speak to your retailer to determine if battery storage affects your eligibility for any feed-in tariffs you receive.

More information

For more information about the Solar Bonus Scheme, SEQ and regional feed-in tariffs, Smart metering, and general information regarding solar power and electricity in Qld, see the Qld Government's website https://www.dews.qld.gov.au/electricity

For reports on electricity markets and feed-in tariffs, see the Queensland Competition Authority's website http://www.qca.org.au/Electricity

To help you compare retail offers, see AER Energy Made Easy website www.energymadeeasy.gov.au

Australian Energy Regulator

Infoline 1300 585 165

Website www.aer.gov.au

Energy Made Easy www.energymadeeasy.gov.au

Other contacts

Indigenous Infoline 1300 303 143

For information in languages other than English call 13 1450 and ask for 1300 585 165 $\,$

Speak and Listen users phone 1300 555 727 and ask for 1300 585 165

TTY users phone 13 3677 and ask for 1300 585 165 Internet relay users connect to the National Relay Service (http://www.relayservice.com.au) and ask for 1300 585 165

Australian Competition and Consumer Commission

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