

Solar Sharer Offer design

The framework for the Solar Sharer Offer (SSO) is established via the [Competition and Consumer \(Industry Code – Electricity Retail\) Amendment Regulations 2026](#) (the Regulations). The SSO is a time of use standing offer tariff for residential customers with a smart meter that includes a designated 3-hour free power period.

This fact sheet explains the new SSO framework and is provided to help retailers respond to the draft determination and plan for SSO implementation. The draft determination will be open for consultation. The AER will carefully consider all input on the draft before making the DMO 8 final determination. This guidance does not constitute legal advice and may be subject to change in the upcoming draft determination (to be published 19 March 2026).

The ACCC will also provide guidance to retailers shortly.

The new DMO regulatory framework

- The following kinds of tariffs will be “regulated tariffs” as defined in Section 5 of the Regulations:
 - Flat rate tariffs for residential customers
 - Flat rate tariffs for small business customers
 - Non-SSO flexible/time of use (TOU) tariffs (other than an SSO regulated tariff) for residential customers
 - Flexible/TOU tariffs for small business customers
 - Controlled load tariffs for residential customers
 - The SSO tariff
 - Other tariffs as determined by the AER under Section 15A of the Regulations (for DMO 8, the AER does not propose to exercise its power under Section 15A of the Regulations to create additional regulated tariffs beyond what is mandated).
- The definition of “flexible tariff” in Section 5 of the Regulations specifically excludes demand tariffs. This means that DMO 8 will not include a regulated demand charge component in any of the tariffs.
- Each regulated tariff as set out above will have set tariff caps as well as a corresponding annual comparison price.
- Tariffs that are “non-regulated tariffs” will not have tariff caps but will have an annual comparison price as set out in Subsection 16(1) of the Regulations.

The SSO regulatory framework

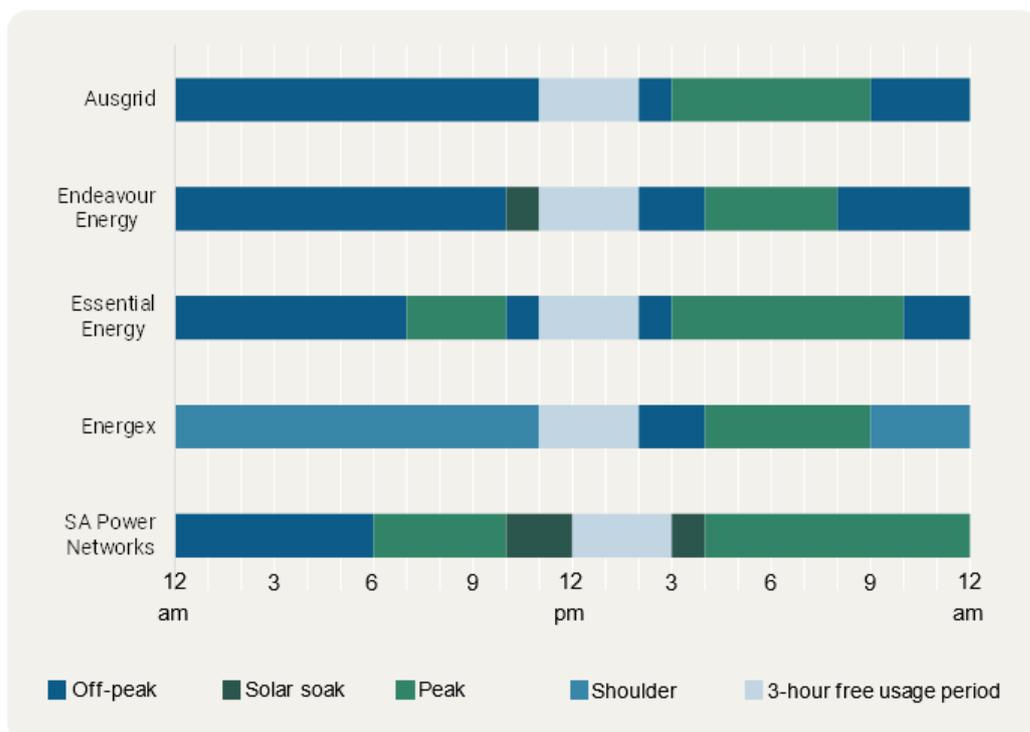
- Retailers¹ who have more than 1000 customers across DMO regions will need to offer an SSO. The SSO is an opt-in tariff for all customers with smart meters
- The SSO is a ‘regulated tariff’ under the DMO regulatory framework and so will have its own corresponding annual ‘comparison price’ that will serve as a benchmark for market offers like the SSO.

¹ Under the Regulations, retailers with 1000 or fewer customers across all DMO regions are not required to offer an SSO.

- Retailers will only need to create a single SSO for DMO 8 in each region, irrespective of what the applicable network tariffs are.
- There will be no changes to the current rules around network tariff reassignment. Currently, the default assignment for all customers in DMO regions is a TOU or demand tariff, with an optional reassignment process between TOU and demand tariffs, so retailers will not be restricted from reassigning SSO customers to an underlying TOU network tariff. However, retailers will not be able to require that customers be assigned to a TOU network tariff in advance of opting into the SSO.

SSO Tariff Structure

- The draft determination will set the SSO free usage periods as a fixed year-round in local time at 11am-2pm for NSW/SE QLD and 12pm-3pm for SA. Times will not vary with daylight savings from a customer perspective. In other words:
 - During daylight savings, the free period for NSW will be 11am-2pm AEDT, SA will be 12pm-3pm ACDT.
 - Outside of daylight savings, the free usage periods in NSW and SA will be 11am-2pm AEST and 12pm-3pm ACST, respectively.
- Retailers will not have discretion to choose their own free usage periods for the SSO standing offer.
- The SSO will feature:
 - a daily supply charge
 - c/kWh usage charges which will vary by distribution region, based on the underlying time of use network tariff structure, as seen in the diagram below; and
 - a c/kWh reasonable usage charge for usage in excess of 24kWh during the free period.



Cost Recovery

- The first SSO prioritises practicality in accordance with Design Principle 6 in the Government's SSO [consultation outcomes paper](#).
- We are not proposing to develop an SSO-specific cost stack in DMO 8. Instead, the first SSO will use the cost structure for the TOU DMO.
- We will then calculate the forgone revenue from the free usage period (including network costs), and apportion those costs to other c/kWh usage charges so that retailers can still recover efficient costs.
- We are proposing to use the standard DMO consumption profile, or pattern of supply, to set the SSO's annual comparison price and calculate forgone revenue during the free usage period. This profile will not distinguish between different types of residential customer.

Customer Consent and Communications

- Retailer must advise customers that the SSO may not be suitable in all circumstances and opt-in customer agreement will be required to place a customer on the SSO. This means that customers cannot be placed onto the SSO by default nor when they are rolled onto a deemed contract. Default placements or end-of-contract rollovers must use a typical DMO standing offer (e.g. flat rate DMO or non-SSO TOU DMO).
- Under the current Better Bills Guideline, retailers must advise customers at least every 100 days (or in alignment with the billing cycle if that cycle is greater than 100 days) whether they could be on a better offer (the Better Offer check). The Better Offer check requires comparison across all generally available plans. As the SSO will be a generally available plan, retailers should include it when conducting Better Offer checks.
- A Better Offer check is based on 12 months of a customer's usage history. There will not be an expectation under the current Better Bills Guideline for retailers to assess whether the customer would be better off on the SSO if they were to change their behaviour to take better advantage of the free usage period.
- The AER is currently reviewing several retail guidelines including the Better Bills Guideline. A draft of the updated guideline will be released in late April 2026, and this will provide stakeholders with an opportunity to raise any concerns or suggest any changes to better accommodate the SSO.

© Commonwealth of Australia 2025 provided under a [Creative Commons Attribution 4.0 International licence](#) (CC BY 4.0 licence). The information in this publication is for general guidance only. It does not constitute legal or other professional advice. For further information see aer.gov.au/disclaimer-copyright. For inquiries about this publication, email aerinquiry@aer.gov.au.