



# South Australia –How to get value for your renewable energy and feed-in tariffs explained

If you own a renewable energy system that is connected to the electricity grid, and you generate more electricity than you use, you may be able to sell that excess into the grid and be paid for it. This payment is called a feed-in tariff. This factsheet provides information about how you can maximise the value of your renewable energy by shopping around for the best feed-in tariff for you.

## What is a feed-in tariff?

A feed-in tariff is a payment made by an electricity retailer in exchange for electricity that you can feed into the electricity grid from the generation of renewable energy, such as solar PV, wind, hydro or biomass systems.

## 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.

## You can maximise the value of your renewable energy by shopping around

To maximise the value of your solar power, you should shop around or negotiate with your electricity retailer for the best feed-in tariff rate to meet 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 discounts for usage.

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 Regulator's independent price comparator website, [Energy Made Easy](#).

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

The Essential Services Commission of South Australia (ESCOSA) currently monitors electricity retailers' offers to their solar customers, including the retailer-paid feed-in tariffs. Since 1 January 2017, each electricity retailer in South Australia is required to determine their feed-in tariffs and show publicly how their offers provide benefit to their solar customers. This means you should negotiate with retailers and shop around for the best feed-in tariff that will meet your circumstances.

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

The South Australian Government introduced the Solar Feed-in Scheme to encourage eligible customer groups including households, community groups, and small businesses to invest in their own solar PV generation systems. This scheme is now closed to new applicants.

Depending on when they were approved to connect their solar PV systems to the electricity grid, customers of the Solar Feed-in Scheme were allocated to one of four groups within this scheme.

Customers of the Solar Feed-in Scheme receive feed-in tariffs of either 44 cents or 16 cents per kWh for exporting solar PV generated electricity to the electricity grid. These payments are made by the electricity distributors and credited to the customers' electricity bills by their retailers. In addition to receiving a 'distributor' paid feed-in tariff, the Solar Feed-in customers may also receive a 'retailer' paid feed-in tariff.

The part of Solar Feed-in Scheme which paid feed-in tariffs at 16 cents per kWh ended on 30 September 2016. This applies to the group of Solar Feed-in customers who connected their solar PV systems to the grid between 1 October 2011 and 30 September 2013. Speak to your retailer if you are unsure of whether this applies to you.

### **Am I affected by the part closure of the Solar Feed-in Scheme?**

If you were a customer of the Solar Feed-in Scheme who received permission to connect your solar PV system to the electricity grid between 1 October 2011 and 30 September 2013, its part closure means you stopped receiving distributor-paid feed-in tariffs at a subsidised rate of 16 cents per kWh.

From 1 October 2016, your feed-in tariff reverted back to an unsubsidised rate which you may already receive from your retailer. You can also negotiate this feed-in tariff with your retailer. Speak to your retailer to find the best deal for your circumstances. To compare retail electricity offers, visit the Australian Energy Regulator's independent price comparator website, [Energy Made Easy](#).

Customers of the Solar Feed-in Scheme who currently receive a feed-in tariff rate of 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 30 June 2028 (as long as your eligibility for the scheme has not changed). Speak to your retailer if you are unsure whether this applies to you.

### **Do I have to change my meter?**

No, you do not have to change your meter. If you are a customer of the Solar Feed-in Scheme you already have net metering. This 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. This has not changed even if you no longer receive a subsidised feed-in tariff at 16 cents per kWh through the Solar Feed-in Scheme. Rather, you now receive a retailer-paid feed-in tariff for your unused electricity.

### **Smart meters and regulation changes**

Although customers are not required to change their meters, there may be benefits in installing a 'smart' meter (also known as a digital meter). Most customers currently have 'basic' meters (also known as accumulation meters), which can only measure total accumulated electricity usage.

A basic meter cannot tell how much you consume at a particular time. On the other hand, a smart meter measures your electricity use every 30 minutes. You can then access information about your electricity consumption via your retailer.

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.

Currently, only some retailers offer smart meters. However the Australian Energy Market Commission (AEMC) has introduced a new policy to bring competition into the provision of metering services, promoting innovation and investment in smart meters that deliver the services valued by households at a price they are willing to pay. This policy change is effective from 1 December 2017.

Your distributor is currently responsible for ensuring you have a working meter and typically installs a basic meter at your house. However from 1 December 2017, your retailer will take over responsibility for metering services.

## Making the most of your renewable energy system

To make the most of using your solar PV generated electricity you can use 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.

## Should I be using 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 solar PV 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.

## More information

For more information about the Group 4 Feed-in Tariff Scheme, see Government of South Australia website <http://www.sa.gov.au>

For more information about ESCOSA's monitoring of retailer-paid feed-in tariffs, see ESCOSA website <http://www.escosa.sa.gov.au/>

To help you compare retail offers, see AER Energy Made Easy website [www.energymadeeasy.gov.au](http://www.energymadeeasy.gov.au)

## Australian Energy Regulator

Infoline 1300 585 165

Website [www.aer.gov.au](http://www.aer.gov.au)

Energy Made Easy [www.energymadeeasy.gov.au](http://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

23 Marcus Clarke Street, Canberra, Australian Capital Territory 2601

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