



The Solar Bonus Scheme closure

Frequently asked questions

Why is the Solar Bonus Scheme ending?

The NSW Government's Solar Bonus Scheme was set up for a seven year period commencing 1 January 2010. Irrespective of when a customer joined, the scheme ends on 31 December 2016.

The scheme was successful and achieved its objectives, with more than 146,000 households joining and adding 342 megawatts of renewable energy capacity to the grid.

What is a feed-in tariff?

A feed-in tariff is the amount of money you are paid to feed electricity from your solar photovoltaic (PV) system into the grid. Feed-in tariffs can be subsidised, like the Solar Bonus Scheme, or unsubsidised, such as a tariff received from a retailer once the Solar Bonus Scheme ends.

What should I do now the scheme is ending?

If you are a customer receiving a 60 cents subsidy you'll likely have a gross metering arrangement, which sends all of your solar power directly to the grid, not to your house.

If you are a customer receiving a 20 cents subsidy you may have a net metering arrangement, allowing you to use the energy you generate and add any excess energy to the grid.

It is important to confirm with your retailer the type of metering arrangement you have currently.

Once the scheme closes, you should aim to meet as much of your home's electricity needs as possible using the solar power you generate to help minimise your electricity bill. If necessary, change to a net metering arrangement to use the solar power you generate first, before any excess is exported to the grid.

Why is self-consuming the electricity I generate beneficial?

The unsubsidised feed-in tariff you receive from retailers is lower than the price you pay them for electricity. This is because the retailer's price includes the cost of everything involved with supplying electricity to your home or business. This includes the cost of:

- the electricity bought from generators by your retailer
- delivering the electricity to your home or business through poles and wires
- various government green schemes
- retailer administration charges.

The Independent Pricing and Regulatory Tribunal (IPART) has identified a fair and reasonable benchmark range of prices for electricity generated by small-scale solar generators outside of the Solar Bonus Scheme, which is between 5.5 and 7.2 cents per kilowatt hour.

While government does not regulate retail electricity prices,

the NSW Government has called on all NSW retailers to offer solar customers feed-in tariffs that are consistent with IPART's recommendation.

You should check the deal you have with your current retailer and shop around to find the best post-scheme solar feed-in tariff and integrated electricity deals on offer.

Be aware that sometimes a higher feed-in tariff may not be the most financially beneficial option. Check the usage charges, daily charge, relevant discounts, other products and services offered, and associated terms and conditions prior to signing up to an electricity deal with a retailer.

How do I know what type of meter and tariff I have?

Details about your meter and tariff will be on your electricity bill. Contact your retailer if you are unsure.

How do I change my gross meter to a net metering arrangement?

Electricity retailers are offering to change customer meters to enable a net metering arrangement.

Many retailers are offering digital (smart) meters. These allow for a net metering arrangement and can also give you access to additional benefits and information to help you save on electricity bills. With most retailers currently charging no up-front cost for this service, this is an ideal time to contact your retailer about changing meters.

You should also check the features and services offered by other retailers. Shop around to get the best deal that suits your needs. The Department of Industry, Resources and Energy Division (DRE) website (www.resourcesandenergy.nsw.gov.au/energy-consumers/solar/solar-bonus-scheme) has a list of retailers offering packages for Solar Bonus Scheme customers, and also a list of questions to ask retailers to ensure you get the most affordable and suitable deal on electricity.

I have 3-phase power at my home. Can I still change my meter to net metering?

Yes, there are electricity retailers offering to change meters for customers on 3-phase to enable a net metering arrangement. There may be additional costs involved, so contact your retailer or competing retailers for more information.

What happens if I don't change my meter?

The change is voluntary. If you do not change your meter, when the scheme ends you will get the unsubsidised feed-in tariff for the electricity you export. However, if you are on a gross metering arrangement, you will not be consuming the electricity you produce to meet your household's energy needs.



This means once the Solar Bonus Scheme ends you may not be getting the best value from your solar PV system.

What is gross metering?

Under gross metering arrangements, all electricity generated by your system is exported to the grid. You cannot use the electricity you generate in your house or business. Instead, you buy all your electricity from your electricity retailer.

What is net metering?

Under net metering arrangements, the electricity you generate is used to supply your own energy requirements first. Any excess electricity generated is then exported to the grid. By using the solar energy your system generates, you reduce the amount of grid electricity you consume, which can minimise your electricity bills depending on the feed-in tariff you receive.

What are digital (smart) meters?

Digital (smart) meters are electricity meters that measure your electricity consumption in short intervals, and are capable of being remotely read and operated. You can get more up-to-date information about your energy consumption and costs using digital (smart) meters, and electricity retailers save on the cost of manual meter reading.

If I agree to a digital (smart) meter, what will change?

Your electricity tariffs and other details of your existing electricity supply contract will not change, unless you agree to a new contract. Check the terms and conditions of your existing contract with your retailer.

Will my tariff type change?

Your tariff type should not change after a digital (smart) meter is installed, depending on the terms of your contract. A digital (smart) meter will allow you to choose from a wider range of tariff types, which may include:

- a price that varies at different times of the day (peak, shoulder and off-peak) depending on typical demand patterns and the cost of supplying energy to you at these times
- payments being offered if you reduce your consumption at certain times
- the possibility of higher prices during pre-identified critical peaks in energy demand for a few days of the year, in exchange for lower energy prices for the rest of the year.

How can I access my electricity usage data with a digital (smart) meter?

Digital (smart) meters allow for improved communication between you and your retailer or service provider. The data collected by the meter will be available to you through an internet site, app or portal, or through an in-home display. Both web portals and in-home displays allow you to view your electricity consumption and better manage your electricity usage. Personal information is subject to privacy law and will not be distributed unless express permission is given to your retailer or service provider. Contact your retailer or competing retailers to discuss how you can access the information.

What if I want to change retailers?

You can change retailers at any time, subject to the terms of your existing contract, which may include an exit fee. Your digital (smart) meter won't necessarily need to be changed. Your new retailer may be able to use it to provide smart services.

I am thinking of adding more panels to my solar PV system. Is it a good option?

Check with your installer whether your inverter has spare capacity to add more panels, and also whether it is economical to do so.

I am thinking of getting a battery storage system. Is it a good option?

A battery storage system coupled with solar PV capacity will allow you to self-consume more of the electricity you generate to further reduce the amount of electricity you purchase from the grid. However, in some instances you may have to replace your existing solar inverter with a hybrid inverter, which will incur a cost.

If you are considering battery storage it is important to check with your installer or battery provider to find out more information about the technology and payback period.

How else can I reduce my electricity bill?

One great way for you to reduce your electricity bill is to make your home as energy efficient as possible.

There are a number of online resources to help you become more energy efficient, including information on the DRE and Office of Environment and Heritage (OEH) websites.

These can be found at:

www.environment.nsw.gov.au/topics/energy-savings-and-resource-efficiency

www.resourcesandenergy.nsw.gov.au/energy-consumers/save-energy-and-reduce-your-bills/efficiency

Where can I get further information?

For further information about your electricity tariff, solar feed-in tariff and changing metering, call your retailer.

Contact details of electricity retailers can be found on the DRE website (www.resourcesandenergy.nsw.gov.au/energy-consumers/solar/solar-bonus-scheme/energy-retailers-contact-information).

For information about the Solar Bonus Scheme closure, visit the solar customers page on the DRE website (www.resourcesandenergy.nsw.gov.au/energy-consumers) or email us on sbs.closure@industry.nsw.gov.au. Alternatively, call Service NSW on 1300 767 955.

To compare different retailer products and feed-in tariff offerings visit the Energy Made Easy website (www.energymadeeasy.gov.au).

If you have a dispute with your retailer, contact the Energy and Water Ombudsman NSW (EWON) for assistance by calling 1800 246 545 or sending an email to omb@ewon.com.au. Alternatively, contact the Department of Fair Trading on 13 32 20.