

Solar Bonus Scheme

What is the Solar Bonus Scheme?

The Queensland Government Solar Bonus Scheme is a feed-in tariff to pay domestic and other small energy customers for the surplus electricity generated from roof-top solar systems that is fed back into the Queensland grid.

The scheme is designed to make solar power more affordable for Queenslanders and stimulate the solar power industry.

The scheme has the potential to boost the uptake of grid-connected solar power in Queensland to around 8,000 customers.

How much will consumers be paid?

Customers signed-up to the scheme will be paid 44 cents per kilowatt hour (kWh) for surplus electricity fed into the grid—around three times the current general domestic use tariff of 15.45c/kWh (inc GST).

The rate of 44c/kWh is the same as the solar feed-in tariff paid to customers in South Australia. It is currently the most generous feed-in tariff paid in Australia.

The average consumer operating a 1 kilowatt (kW) solar system could save up to 25 per cent on their electricity bill.

The amount of electricity a customer returns to the grid will depend on how much energy is being consumed while the solar panels are generating power. Customers may be able to maximise their solar bonus by improving the energy efficiency of their home to export more electricity to the grid. This could be achieved by reducing standby power consumption, shifting tasks to the evening and minimising the use of air-conditioners.

Who is eligible to receive the bonus?

To be eligible to receive the solar bonus, customers must:

- consume no more than 100 megawatt hours (MWh) of electricity a year (the average household uses 10 MWh a year)
- purchase and install a new solar power system (not solar hot water system) or operate an existing system that is connected to the Queensland electricity grid
- generate surplus electricity that is fed into the Queensland electricity grid
- ensure they have an agreement in place with their electricity distributor (Ergon Energy or Energex) to have adequate metering installed.



Image supplied courtesy of EPA

How will customers receive the solar bonus?

The solar bonus of 44c/kWh will be paid for electricity fed into the grid at times when the solar system generates more electricity than the household or business is using.

The scheme rewards customers whenever they generate more electricity than they are using – not just the balance at the end of the quarter, but whenever generation exceeds consumption during the day.

The customer's quarterly solar bonus payment for this excess electricity will be deducted from their total grid-connected electricity consumption charge on their electricity bill.

The customer's grid-connected electricity consumption will also be lower (than without a solar system) as a result of the household or business consuming a portion of its electricity directly from the solar system.

If the solar bonus payments are greater than the total grid-connected electricity consumption charges over a 12-month period, the customer is entitled to have this balance refunded, rather than maintaining an ongoing credit with the retailer.

When can consumers start claiming the solar bonus?

It is anticipated that the solar bonus (feed-in tariff) will be available from electricity retailers by mid-2008.

For customers signed-up to the scheme, the solar bonus of 44 cents will be offered until 2028, but is to be reviewed after 10 years or when 8 megawatts of solar systems are installed (equal to 8,000 systems of 1 kW capacity), whichever occurs first.

How do consumers sign-up to receive the solar bonus?

The solar bonus will be paid to consumers by the electricity retailer that supplies them with grid-connected electricity.

Once the scheme commences in mid-2008, consumers wishing to sign-up to receive the bonus should contact their electricity retailer in the first instance.

How will the electricity metering operate?

The electricity generated by the solar power system is fed into the customer's electricity load to help power the home or business. It is also connected to the electricity grid via a meter which records both electricity imported from the grid and exported from the solar system to the grid. When the electricity produced by the solar power system exceeds the load (customer's demand for electricity), this excess electricity is fed into the grid via the 'export' register of the meter.

The meter records the amount of electricity exported to the grid rather than the total amount of electricity generated by the solar system.

When the household or business uses more electricity than is being produced by the solar power system, the balance of electricity required is taken from the electricity grid via the 'import' register of the meter.

What electricity metering is required?

Customers wishing to claim the solar bonus will need electricity metering that separately records electricity imports and exports.

The installation of new or additional meters needs to be arranged with the electricity distributor and the cost is passed on to the individual consumer.

When the meter reader visits a customer's home or business at the end of the quarter, the total amount of electricity exported to the grid and the total amount imported from the grid will be read and passed onto the retailer to calculate the bill.



Image supplied courtesy of Clean Energy Council

To register interest in the scheme contact:

Department of Mines and Energy
Phone: 07 3237 1508
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If you register your interest, the Department of Mines and Energy will retain your personal information to keep you up-to-date about the progress of the Solar Bonus Scheme and other energy initiatives. This information will be accessible by authorised departmental officers only, and your personal information will not be disclosed to a third party without your consent unless required to do so by law or for the purpose of Information Standard 42.