



Media Release

Retailer-paid solar feed-in tariff to rise in 2016

2 December 2015

The minimum amount households and small businesses receive from electricity retailers for selling excess solar power into the electricity distribution network will increase from 1 January 2016.

The Essential Services Commission of South Australia (ESCOSA) has determined a minimum retailer-paid feed-in tariff (R-FiT) of 6.8 cents per kWh for 2016, compared with 5.3 cents per kWh in 2015.

"Most retailers are currently paying less than 6.8 cents and so will need to adjust accordingly," said ESCOSA Chief Executive Adam Wilson.

The R-FiT, which is determined each year by ESCOSA under the Electricity Act, is the smaller of the two components that make up the total tariff payable to many solar customers.

The other is the distributor feed-in tariff (D-FiT), which is fixed at 44 cents per kWh for solar PV systems installed before October 2011 and 16 cents per kWh for installations between then and September 2013. The R-FiT decision does not affect the D-FiT amounts.

Mr Wilson said the R-FiT was set so as to reflect the forecast wholesale market value of photovoltaic electricity in the coming year. "The value will increase in 2016 to reflect expected changes in the National Electricity Market wholesale spot price of electricity, including the announced closure of the Northern Power Station at Port Augusta on or around 31 March 2016," he said.

The Commission will continue to monitor retailers' offers to, and competition for, solar customers.

Monitoring will enable the Commission to ensure compliance with the new R-FiT, and help determine whether or not a minimum R-FiT will continue to be set from 2017.

FURTHER INFORMATION: All documents associated with ESCOSA's review of the R-FiT can be found at: www.escosa.sa.gov.au.

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The Essential Services Commission of South Australia is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, please visit www.escosa.sa.gov.au.

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