

South Australia's Solar Feed-in Tariff Scheme

The new Feed-in Tariff Premium for solar customers

From 27 January 2012, residential and small business customers who have an eligible solar photovoltaic (PV) unit (solar customers) will be entitled to receive from their electricity retailer a new Feed-in Tariff Premium (FiT Premium) for electricity fed into ETSA Utilities' distribution network.¹ The FiT Premium, which is credited on solar customers' electricity bills when they generate more electricity than they use, reflects the fair and reasonable value of fed-in electricity to electricity retailers.

In accordance with the South Australian Government's feed-in legislation, the Commission has determined the minimum FiT Premium to apply from 27 January 2012 until 30 June 2014, as follows:

Feed-in Tariff Premium (nominal cents per kWh and GST exclusive)

2011-12	2012-13	2013-14
27 January 2012 to 30 June 2012	1 July 2012 to 30 June 2013	1 July 2013 to 30 June 2014
7.1c/kWh	9.8c/kWh	11.2c/kWh

All electricity retailers are required to provide at least this minimum FiT Premium to solar customers but may choose to credit a higher amount. Electricity retailers can provide advice on whether a solar customer is receiving the minimum FiT Premium or a higher amount.

Further information about the Commission's determination of the FiT Premium can be found at www.escosa.sa.gov.au.²

Existing feed-in credits

In addition to the FiT Premium provided by electricity retailers, the electricity distributor, ETSA Utilities, is also required to provide a feed-in tariff to solar customers for electricity fed into its network (FiT). The amount of the FiT paid by ETSA Utilities varies depending on the date at which a solar customer connected, or obtained ETSA Utilities' approval to connect, the PV unit to ETSA Utilities' network:

¹ Refer <http://etsautilities.com.au/public/download.jsp?id=13348> for eligibility criteria.

² www.escosa.sa.gov.au/projects/167/2011-determination-of-solar-feed-in-tariff-premium.aspx

**Feed-In Tariff Credits payable by ETSA Utilities
(nominal cents per kWh and GST exclusive)**

PV Installation/ Approval Date	Credit Amount	Period Payable
Class 1 Before 1 October 2011	44c/kWh	Until 30 June 2028
Class 2 1 October 2011 to 30 September 2013	16c/kWh	Until 30 September 2016
Class 3 From 1 October 2013	Nil	N/A

How much will a solar customer receive?

Solar customers are entitled to receive both the FIT Premium from electricity retailers and the FIT from ETSA Utilities, as shown below.³

**Solar customer feed-in credit classes under the South Australia Feed-In Tariff Scheme
(nominal cents per kWh and GST exclusive)**

		2011-12	2012-13	2013-14
Solar PV Cell Installation / Approval Date	Class 1 Before 1 October 2011	7.1 + 44 = 51.1c/kWh	9.8 + 44 = 53.8c/kWh	11.2 + 44 = 55.2c/kWh
	Class 2 1 October 2011 - 30 September 2013	7.1 + 16 = 23.1c/kWh	9.8 + 16 = 25.8c/kWh	11.2 + 16 = 27.2c/kWh
	Class 3 From 1 October 2013	N/A	N/A	11.2c/kWh

Both the FIT and the FIT Premium are credited on quarterly electricity bills issued by electricity retailers. The value of feed-in credits shown on a solar customer's electricity bill is determined by multiplying the amount of electricity (measured in kWh) fed into ETSA Utilities' network and the relevant feed-in credit class (as shown in the table above). When the feed-in credit amount changes during a billing period (between financial years), the feed-in amounts will be pro-rated.

Who funds the feed-in scheme?

The FIT Premium has been set by the Commission to reflect the direct benefits to retailers of solar PV generation and is therefore intended to be cost neutral to retailers and customers. Under the feed-in legislation, the FIT amounts credited by ETSA Utilities to solar customers are funded by all electricity customers, adding approximately \$65 to an average annual household electricity bill.

³ Note: customers operating excluded generators (as determined by ETSA Utilities in accordance with the provisions of the Electricity Act) are excluded from receiving the FIT from ETSA Utilities but are entitled to receive the FIT Premium.