

FINAL REPORT – SOLAR FEED-IN TARIFFS FOR 2015-16

15 October 2015

The Independent Pricing and Regulatory Tribunal (IPART) has today set the benchmark range for voluntary solar feed-in tariffs for 2015-16 at 4.7 to 6.1 cents per kilowatt hour (c/kWh).

Electricity retailers in NSW have the flexibility to set their own feed-in tariffs, with IPART setting a benchmark range each year as a guide for retailers and solar customers on the likely value of electricity exported to the grid from solar PV units. The voluntary benchmark does not affect the rates paid to consumers who are part of the Solar Bonus Scheme.

Releasing IPART's final decision today, Chairman Dr Peter Boxall, said the voluntary benchmark range has increased since the draft decision in August due to higher forecast average wholesale spot price for 2015-16.

"Since the draft decision in August 2015, the forecast average wholesale spot price has increased by around 5%, resulting in a higher wholesale market value of PV exports," Dr Boxall said.

"Nevertheless, the benchmark range for 2015-16 is still lower than last year due to lower and less volatile wholesale spot prices."

Dr Boxall said solar customers should consider feed-in tariffs as part of an overall electricity contract package and shop around for the best deal that takes both their electricity consumption and solar exports into account.

"Feed-in tariffs are only one component of a retailer's market offer and the retailer with the highest feed-in tariff may not provide the best deal overall," Dr Boxall said.

"We encourage customers to look for the best deal for their own situation, which includes usage rates, and other terms and conditions as well as the feed-in tariff. The Commonwealth Government's Energy Made Easy website is a good place to start."

IPART has also made a Final Determination that the mandatory contribution from electricity retailers to the NSW Government should be 5.2 c/kWh of PV electricity exported by Solar Bonus Scheme customers. IPART's final decision on the retailer contribution for 2015-16 is also higher than the draft decision due to a higher forecast average spot price for 2015-16.

Customers in the Solar Bonus Scheme will continue to receive a subsidised feed-in tariff of either 20c or 60 c/kWh until the scheme ends on 31 December 2016.

IPART's report and accompanying documents are available on IPART's website <<http://www.ipart.nsw.gov.au>>.