



Changes to the Western Australian Residential Feed-in Tariff Scheme

Fact Sheet - May 2011



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The Western Australian Government has announced changes to the residential net feed-in tariff scheme following a review by the Office of Energy.

A new rate of 20 cents per kilowatt hour (kWh) will apply to all applications received from 1 July 2011. As with the original scheme, system owners will receive payments for 10 years.

Taking into account the new rate and the recent change in the Federal Government's Solar Credits program, the Office of Energy forecasts that most residents will be able to pay off their renewable energy systems well within the 10-year payment period, as originally intended.

The State Government has also announced that the scheme will close when the total capacity of renewable energy systems installed under the feed-in tariff scheme reaches 150 megawatts (MW). To date, almost 70MW of capacity have been accepted into the scheme.

1. How will these changes affect you?

Existing feed-in tariff customers will not be affected by the rate change.

New renewable energy system owners will be assessed for the 40c/kWh rate if:

- their complete and correct application forms are received by their electricity retailer (Synergy or Horizon Power) by 30 June 2011; and
- their renewable energy system and necessary metering equipment is installed and connected to the electricity grid by 30 September 2011.

Any customer who submits an application to their electricity retailer from 1 July 2011 will be assessed for the new rate of 20c/kWh. The closing date of 30 June 2011 is fixed. No extensions will be granted.

Continued overleaf

2. Why has the rate changed?

The new rate is necessary to ensure the scheme is sustainable and that the benefit householders receive is in line with the cost of their renewable energy systems.

The intent of the scheme is for people to recover their outlay on renewable energy systems over a period of 10 years. However, the cost of renewable energy systems has almost halved in the past 12 months, dramatically reducing the time it takes for customers to recover their purchase cost.

3. Why has a cap been placed on the scheme?

The scheme will close when the total capacity of renewable systems installed under the feed-in tariff scheme reaches 150MW. This cap has been placed to provide a clear indication to industry and consumers of the scheme's end date. Once the scheme is closed, no new applications will be accepted for the feed-in tariff.

4. Transitional payments

As a transitional arrangement, system owners who are eligible for the new tariff rate of 20c/kWh will receive the 40c/kWh until the electricity retailers can make changes to their billing systems. This change will occur no later than 9 December 2011. Thereafter, the new rate of 20c/kWh will apply.

5. Application process

All feed-in tariff applications must be submitted to your electricity retailer (Synergy or Horizon Power).

When applying for the feed-in tariff, system owners must also apply to Synergy or Horizon Power for the Renewable Energy Buyback Scheme (REBS). Under this scheme, Synergy and Horizon Power purchase renewable energy fed into the grid. These payments, made available as part of a State Government requirement, are additional to the feed-in tariff subsidy. REBS rates may be different between retailers and vary over time. Full details are available on your electricity retailer's website.

Synergy customers

- If you are submitting an application form for the feed-in tariff and REBS between 19 May and 30 June 2011, a new application form should be used. This new application form – available on the Synergy website (www.synergy.net.au) – must be complete and correct to be considered for the 40c/kWh rate.

Incomplete and incorrect applications will not be accepted and will be returned to the applicant. Suppliers and installers are requested to assist their customers in filling out the applications using the new forms to ensure that they are complete and correct.

- Please ensure that the new application forms for both the feed-in tariff and REBS are included in faxed applications.
- All Synergy customers who submit an application for feed-in tariff and REBS will incur a REBS application fee of \$40, regardless of whether the renewable energy system is installed or not.

Horizon Power customers

Horizon Power customers should submit their online pre-qualification application by 30 June 2011 to be assessed for the 40c/kWh rate. The online pre-qualification application can be found on the Horizon Power website (www.horizonpower.com.au).

Meter change fee

For Synergy and Horizon Power customers, a meter change or re-programming request will be triggered for all system owners who submit an application for feed-in tariff and REBS. These system owners will incur a meter change or re-programming fee regardless of whether the installation of the renewable energy system occurs.

Delays in processing applications and metering services

Due to the large number of applications received, please expect delays in processing applications by your electricity retailers beyond their normal timeframes.

Due to significant uptake of renewable systems, the network operators (Western Power and Horizon Power) are experiencing delays beyond normal timeframes to:

- assess applications to connect larger systems to the network; and
- change or re-program electricity meters.

Further information

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