

MEDIA RELEASE

Solar feed-in tariffs in south east Queensland in 2020–21

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The Queensland Competition Authority (QCA) has released a report about the solar feed-in tariffs available to electricity customers in south east Queensland (SEQ) in 2020–21.

Solar feed-in tariffs are the prices that electricity retailers pay to customers who have solar photovoltaic (PV) systems and export surplus electricity to the electricity network. In SEQ, retailers set the amount that such customers receive for their exports.

Average solar feed-in tariffs continued to fall in 2020–21, as wholesale electricity costs declined. By the June quarter of 2021, the average feed-in tariff for residential customers was 6.8 c/kWh, compared to 8.5 c/kWh in the June quarter of 2020.

While the average was lower, retailers offered a wide range of residential feed-in tariffs in the June quarter 2021—feed-in tariffs ranged from 1 to 15 c/kWh.

QCA Chair Professor Flavio Menezes said that retailers in SEQ offered many different retail electricity plans with different feed-in tariffs, supply and usage charges, discounts, incentives and recurring fees.

"When customers with solar PV systems consider which retail electricity plan best suits their needs, they should not only focus on the level of the feed-in tariff offered in a plan.

"It is important that customers also consider the amount of electricity they use, the times of the day that they use the most electricity, and all other aspects of plans, not just the feed-in tariff. Customers who are home during the middle of the day might use most of the electricity their solar PV systems generate, whereas customers who are not home during the day might export most of that electricity.

"Customers with low electricity consumption and low solar exports were generally better off with offers that had lower supply and usage charges, while customers with high consumption and high solar exports were generally better off with offers that had higher feed-in tariffs and lower usage charges," said Professor Menezes.

"Across a range of electricity import and solar export scenarios, Mojo Power, Simply Energy, Elysian Energy, Momentum Energy and Alinta Energy had the cheapest retail plans for residential customers in 2020–21.

"The QCA encourages customers with solar PV systems to compare retail plans by using the Energy Made Easy website. Energy Made Easy is independent of commercial third parties and includes all generally available offers in the SEQ market," Professor Menezes said.

The 2020–21 solar feed-in tariff monitoring report is available on the QCA website.

In regional Queensland, where there is limited competition, the QCA sets the feed-in tariff on an annual basis. In 2020–21, the feed-in tariff for regional Queensland was set at 7.861 c/kWh. In June, the QCA set the regional Queensland feed-in tariff for the current year (2021–22) at 6.583 c/kWh.

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