Solar Bonus Scheme Q&As

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What is the Solar Bonus Scheme?

The Solar Bonus Scheme is a feed-in tariff paid to residential and small business customers using less than 100 megawatt hours (MWh) of electricity per year. Customers are paid for the surplus electricity generated from roof-top solar photovoltaic (PV) systems that is exported into the Queensland grid after the household load is met.

Surplus electricity is produced at every instant that the PV system is producing more electricity than the household or business is using.

How much will customers be paid?

The Scheme will pay customers 44 cents per kilowatt hour (c/kWh) for any excess electricity fed back into the grid. The current general domestic tariff customers are charged for using electricity is 18.84 c/kWh (inc GST) which is made up of energy costs (8.3c/kWh) plus network charges and retailer costs. The 44 c/kWh feed-in tariff is more than five times the energy component of the current domestic electricity tariff.

The amount of electricity a customer sends to the grid will depend on how much energy is being consumed by the household or small business while the solar panels are generating power. Customers may be able to maximise their solar bonus by improving the energy efficiency of their home during the day to export more electricity to the grid. This could be achieved by reducing stand-by power consumption, shifting some appliances to off-peak tariffs, and minimising the use of air-conditioners.

The customer's grid-connected electricity consumption will also be lower (than without a solar system) as a result of the household or business consuming a portion of its electricity directly from the solar system.

The average customer operating a 1 kilowatt (kW) solar system could save up to 25 per cent on their electricity bill by using electricity generated by the PV system and from solar bonus payments.

How long will the Solar Bonus Scheme be available for?

Under the current legislation the solar bonus of 44c/kWh will expire in 2028. It is also legislated that a review will occur after 10 years or when eight megawatts of capacity have been installed, whichever comes first.

How do customers receive the solar bonus?

At the next meter reading the total amount of electricity exported to the grid and the total amount imported from the grid will be read and passed on to the retailer to calculate the bill.

Who is eligible for the Solar Bonus Scheme?

The Solar Bonus Scheme will be available to domestic and small energy customers who:

- consume less than 100MWh of electricity a year (the average home uses approximately 7.6MWh a year)
- purchase and install a new solar PV system or operate an existing system that is connected to the Queensland electricity grid
- generate surplus electricity that is fed into the Queensland electricity grid
- have an agreement in place with their electricity distributor and have appropriate metering installed
- have solar PV systems with a capacity of up to 10kVA for single phase power and 30kVA for three-phase power
- hold an electricity account with an electricity retailer.

When will I get the solar bonus payment?

The Solar Bonus Scheme commenced on 1 July 2008. Customers wishing to claim the solar bonus should contact the electricity retailer that supplies them with grid-connected electricity. The solar bonus payment will appear as a separate line item credited on the customer's electricity account.

What if my account is in credit over a long period of time?

If the solar bonus payments are greater than the total grid-connected electricity consumption charges over a 12-month period, the customer will be entitled to have this balance paid by the retailer, rather than maintaining an ongoing credit.

Will I need a special meter?

Customers wishing to claim the solar bonus will need electricity metering that separately records electricity imports and exports.

If required, the installation of new or additional meters will need to be arranged with the electricity distributor and costs met by the individual customer.

Customers with an existing solar PV system wired in a 'gross' metering configuration will need to rewire their system to a 'net' configuration, in order to participate in the Scheme. Customers wishing to change their metering arrangements should consult their electricity retailer and additional costs will need to be covered by the customer.

What is the difference between "net" and "gross" metering configurations?

Under a "net" arrangement, the electrical wiring and metering of the solar PV system is configured so that electricity produced by the solar PV system is firstly directed into the house and used to meet the household energy demand. Any surplus electricity, after consumption within the house, is then exported to the electricity grid.

Under a "gross" arrangement, the electrical wiring and metering of the solar PV system is configured so that the total amount of electricity produced by the solar PV system flows directly to the electricity grid. The Solar Bonus Scheme is available only to customers with a "net" metering configuration.

If I am wired for "gross" metering, am I eligible for any other schemes?

To be eligible for the Solar Bonus Scheme, customers are required to have their solar PV system and meters wired in a 'net' metering configuration. If the electrical wiring and metering is currently wired to a "gross" configuration, customers will need to contact individual energy retailers to find out about any feed-in tariff arrangements that they may have for "gross" systems.

Existing solar customers with existing contracts with their retailer for solar energy should consider their agreement before changing to the Solar Bonus Scheme. It is recommended that customers discuss the terms and conditions in their agreement with their retailer before changing to another scheme.

How will the electricity metering operate?

The electricity generated by the solar power system will be fed into the customer's electricity load to help power the home or business in the first instance.

The premises will be connected to the electricity grid via a meter (or meters) which record both electricity imported from the grid and electricity exported to the grid. When the electricity produced by the solar PV system exceeds the customer's demand for electricity this excess electricity will be fed into the grid via the appropriate (export) register of the meter.

The meter will record the amount of electricity exported to the grid rather than the total amount of electricity generated by the solar system. When the customer uses more electricity than is being produced by the solar PV system, the balance of electricity required will be taken from the electricity grid and recorded via the appropriate (import) register of the meter.

What if I have appliances connected to interruptible tariffs?

If a customer has appliances connected to off-peak interruptible tariffs, this will not impact on their eligibility to receive the solar bonus, providing that they meet all of the Solar Bonus Scheme eligibility criteria. The solar bonus payment will be deducted only from the primary tariff component of the customer's electricity bill, e.g. Tariff 11 for residential customers.

Will the bonus be available for electricity exported to the grid from other renewable energy sources?

No. Currently the solar bonus will apply only to excess electricity generated from grid-connected solar PV systems installed on Queensland homes and small businesses that is fed into the grid.

Will investment properties be eligible for the Solar Bonus Scheme?

The Solar Bonus Scheme will apply to investment properties that meet all eligibility criteria for the scheme. Property owners should note however that the solar bonus will be paid on the retail electricity account for that individual property. If this account is held by a tenant, then the tenant would receive the benefit of the solar bonus.