

A boost for solar homeowners with minimum feed-in tariff rising

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Electricity and gas

From 1 July this year, the minimum price Victoria's solar households will receive for the power they export to the grid will increase by two cents per kilowatt hour.

In its final decision published today, the Essential Services Commission has set a new single rate [minimum feed-in tariff](#) from 1 July 2019 of 12 cents per kilowatt hour, up from the current 9.9 cents.

The commission's senior manager for energy market reform Aaron Yuen says the new rate is higher than the draft proposal put out for consultation in December.

"The feed-in tariff is based on forecast wholesale electricity prices in the futures market which rose between the draft decision and [this final decision](#)," he said.

Under the decision, retailers can also offer solar panel owners a time-varying tariff. These feed-in tariffs vary with the time of day to better reflect the wholesale cost of electricity at the time it is sold into the grid.

Minimum rates to apply (c/Kwh) from 1 July 2019				
Tariffs	Single	Off-peak	Shoulder	Peak
Final decision	12.0	9.9	11.6	14.6

Mr Yuen says renewable generation owners can shop around for a retailer who offers them the type of tariff that best suits their circumstances.

“A number of retailers offer feed-in tariffs higher than the minimum, with some being up to 20 cents for specific offers, however customers should be mindful of the rates associated with their electricity usage.

“You should think about your total energy bill, which includes the rates you are pay for the electricity you are using,” he said.

Feed-in tariffs are the minimum electricity retailers pay for power that households and small businesses feed into the grid from solar panels and other small renewable generators like wind and hydro.

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