



**SolarRun**

# **SOLAR REBATES**

Renewable Energy Subsidies

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With the financial incentive of the Federal and State Governments' solar rebates, Australian households are installing rooftop solar panels and home solar power systems at an unprecedented level.

These high subsidy levels – offered in the form of Small-scale Technology Certificates (STCs); Large-Scale Generation Certificates (LGCs); SA Home Battery Scheme for South Australians; and the Solar Victoria Rebate for Victorians – are gradually decreasing in value. It is therefore important for anyone considering the switch to renewable energy to understand the financial incentives, rebates and subsidy schemes available to make installing a solar system as affordable as possible.

Solar panels, home battery systems and feed-in tariffs all help to reduce the cost of your electricity bills. While this can provide a huge return on investment over the 25 year lifetime of your solar device, the upfront installation costs are prohibitively steep for many Australians. That's why we have created this simple guide to solar rebates, to make sense of the various government financial incentives and options to make the switch to solar as easy and accessible as possible.

This comprehensive guide to solar rebates will discuss:

- The Solar Credits Program | Renewable Energy Certificates (RECs)
- Small-scale Technology Certificates (STCs) | Federal Rebate
- Large-scale Generation Certificates (LGCs) | Federal Rebate
- Victorian Solar Scheme | State Rebate
- South Australian Home Battery Scheme | State Rebate
- ACT Next Generation Energy Storage Grants Scheme | State Rebate





## **The Solar Credits Program | Renewable Energy Certificates (RECs)**

Technically this scheme is not a rebate, the government's Solar Credits program aims to help Australia reach its Renewable Energy Target by creating a marketplace for renewable energy certificates (RECs). This program rewards renewable energy production with certificates (RECs) which can be sold on an open market. Companies that produce high volumes of fossil fuel will then purchase these certificates to increase their clean energy generation. RECs come in two forms: STCs for systems under 100 kilowatts (kW) and LGCs for systems over 100kW.

The price of these certificates fluctuate with the market, but generally sit around \$30-\$40 each. This scheme will gradually decrease in value over the next decade until 2030. This means that the best time to take advantage of the government rebate scheme is now, as you will gain the highest subsidy and return on your investment.

## **Small-scale Technology Certificates | Federal Rebate**

Small-scale Technology Certificates, or STCs, are a Federal Government subsidy scheme available for purchases of solar systems under 100kW in size. These certificates are rewarded based on the amount of kilowatt hours (kWh) of electricity that your system is expected to generate. The certificates can then be sold on the market by you, or an accredited solar installer on your behalf. This then provides a discount on the upfront installation costs of your system.

The amount of STCs available to you depends on the size of the system you purchase, when you purchase it and where you live. Australia has been **divided into 4 zones** that determine the amount of renewable energy certificates that you are eligible for. Your postcode will determine which zone you fall under and therefore the size of rebate available to you.

Broadly, the zones are as follows:

Zone 1 - Northern parts of the Northern Territory and Queensland

Zone 2 - Central Australia and northern parts of Western Australia

Zone 3 - Western Australia, Queensland, New South Wales and South Australia



## Zone 4 – Tasmania and Victoria

To give you an idea of the potential rebate available for household solar systems, we've provided a rough guide. For a more precise estimate based on your location, you can find an [STC calculator here](#).

For Solar Systems purchased on January 1st, 2020 for the current STC value of \$34.20:

### 6.6kW

Zone 1 – \$4001 (117 certificates)  
Zone 2 – \$3,796 (111 certificates)  
Zone 3 – \$3,420 (100 certificates)  
Zone 4 – \$2941 (86 certificates)

### 9.9kW

Zone 1 – \$6,019 (176 certificates)  
Zone 2 – \$5,711 (167 certificates)  
Zone 3 – \$5,130 (150 certificates)  
Zone 4 – \$2941 (86 certificates)

### 30kW

Zone 1 – \$18,297 (535 certificates)  
Zone 2 – \$17,305 (506 certificates)  
Zone 3 – \$15,595 (456 certificates)  
Zone 4 – \$13,372 (391 certificates)

### 50kW

Zone 1 – \$30,506 (892 certificates)  
Zone 2 – \$29,034 (844 certificates)  
Zone 3 – \$26,144 (760 certificates)  
Zone 4 – \$22,394 (651 certificates)

### 100kW

Zone 1 – \$61,370 (1784 certificates)  
Zone 2 – \$58,102 (1689 certificates)  
Zone 3 – \$52,288 (1520 certificates)  
Zone 4 – \$44,823 (1303 certificates)





## Large-scale Generation Certificates | Federal Rebate

LGCs, or Large-scale Generation Certificates, are awarded to new purchases of solar systems that are over 100kW in size. Unlike STCs, LGCs are awarded on an ongoing basis and are based off the actual power generation of your device. This means that they are not awarded as an upfront discount on your solar installation. Instead, a monitoring device will track the output of your system which you will use to apply for your certificates each year.

More information on LGCs and the calculation of their value can be found at the government's [Clean Energy Regulator website](#).

## Victorian Solar Scheme | State Rebate

The Victorian Solar Scheme is offering a rebate up to \$1,888 for the purchase of new solar panel (PV) system installations (as of December 2019). In addition to this rebate, the Victorian state government offers an [interest-free loan](#) equivalent to the size of your rebate, which can be paid back over 4 years.

To be eligible for this rebate, you must meet the following criteria:

You are the owner-occupier of the property

You have a combined household taxable income of less than \$180,000 per year

You are in an existing property, valued at under \$3 million

You do not have an existing solar PV system

To find out if you are eligible and to obtain a quote for your Victorian Solar Rebate, contact an authorised solar retailer like Solar Run.

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- You are the owner-occupier of the property
- You have a combined household taxable income of less than \$180,000 per year
- You are in an existing property, valued at under \$3 million
- You do not have an existing solar PV system

To find out if you are eligible and to obtain a quote for your Victorian Solar Rebate, contact an authorised solar retailer like Solar Run.



## South Australian Home Battery Scheme | State Rebate

South Australia's Home Battery Scheme offers a subsidy of up to \$6,000 on the cost of a solar battery storage device. To find out if you are eligible and how much you could get back, speak with an authorised solar retailer, like Solar Run.

Check out our [solar battery page](#) to see how much you could save with a home battery storage system.



## ACT Next Generation Energy Storage Grants Scheme | State Rebate

The ACT government is offering a rebate of \$825 per kilowatt (kW) of energy produced by your new solar battery storage device, up to a maximum of 30kW. A household storage device of 5kW would therefore be eligible for a \$4,000 rebate.

To be eligible for the rebate, you must meet the following criteria:

- have a new system that has not already been supported by the program
- be connected to the electricity grid
- be coupled with solar PV panels
- Include a new or existing inverter that meets technical requirements
- own or rent a property located in the Australian Capital Territory
- have a suitable location for the battery

Speak with a Solar Run specialist to confirm your eligibility for this battery subsidy and to find out more.