

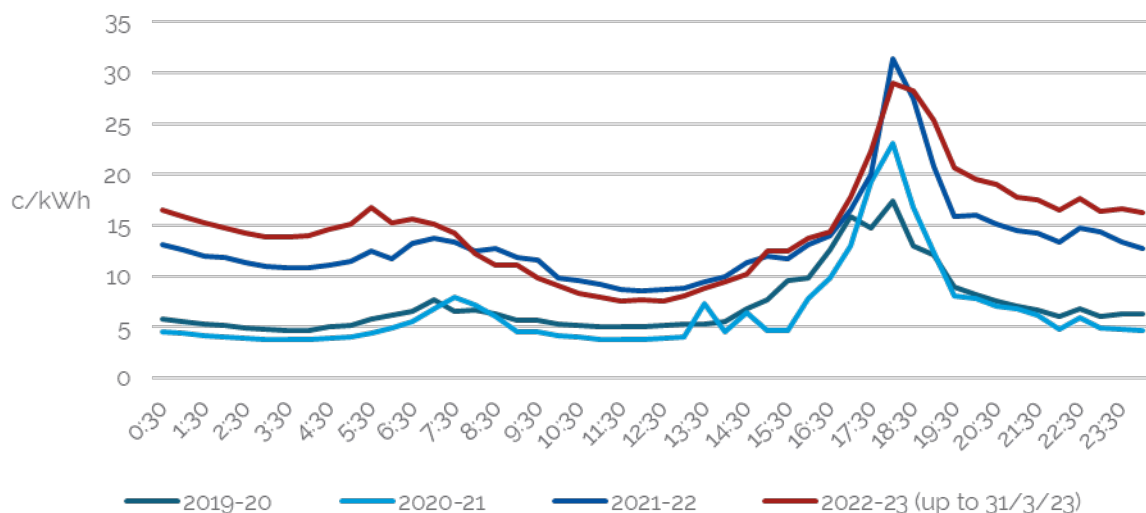
Time-of-day solar feed-in tariff benchmarks 2023-24

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IPART publishes time-of-day solar feed-in benchmarks which help guide retailers and consumers about the value of solar exports at different times of the day. The chart below shows that wholesale prices are:

- lower through the middle of the day (when solar energy meets a proportion of demand)
- higher in the late afternoon and night-time (when solar energy meets little or none of this demand).

Average annual wholesale electricity spot prices by time of day (c/kWh)



Note: 0:30 means the period between 0:00 to 0:30.

Source: Australian Energy Market Operator, with IPART analysis.

IPART's benchmarks reflect the above variation in prices. Our benchmarks for 2023-24 are below.

Time-of-day solar feed-in tariff benchmark ranges

Time period	2022-23 (c/kWh)	2023-24 (c/kWh)	% of solar exports ^a
6 am to 3 pm	5.6 to 9.7	7.2 to 8.7	91.0
3 to 4 pm	7.7 to 14.3	9.9 to 11.7	6.15
4 to 5 pm	12.3 to 24.8	12.2 to 14.9	2.22
5 to 6 pm	11.1 to 20.0	12.1 to 15.3	0.41
6 to 7 pm	16.3 to 27.4	23.2 to 27.3	0.04
7 to 8 pm	9.9 to 16.5	14.9 to 17.5	0.01
8 pm to 6 am	6.3 to 10.5	11.2 to 13.2	0.15

a Percentages are based on 2021-22 exports.

Source: IPART analysis based on annual solar export data from Ausgrid, Essential Energy and Endeavour Energy.

The benchmarks for 2023-24 are similar to the current benchmarks

Table 1 shows that the benchmarks for 2023-24 are similar to the current benchmarks. The overnight benchmark is notably higher than the current benchmark, being driven by higher coal prices as a result of the war in Ukraine.

Our highest time-of-day benchmark for 2023-24 is around 27 c/kWh during 6 to 7pm (similar to last year). Less than 0.1% of exports currently occur between 6 and 7 pm. However, as batteries become more widespread, customers will have more control over when they can export power to the grid.

In addition, solar customers with electric vehicles will be able to charge their car battery during the day with their solar panels. In the future, new technology could mean that as well as powering their car, the car batteries could be used to power household usage, or export electricity to the grid at high value times.

Retailers generally do not offer time-of-day tariffs

Retailers can offer different feed-in tariffs throughout the day in line with our benchmarks to reflect the variation in wholesale prices, however, they are not required to. We have found that most retailers are continuing to offer all-day rates for solar exports.

Retailers are not generally offering different tariffs at different times of the day, however, there is an increase in the retailers offering 2-tiered feed-in tariffs - where a higher feed-in tariff is applied to a capped volume of solar exports per day and a lower feed-in tariff is applied to all subsequent solar exports. Some retailers also provide higher rates to customers that buy their solar panels. You need to consider the entire energy plan, the size your solar system, as well as your electricity consumption and solar exports when comparing plans.