

Media Release

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IPART forecasts higher solar feed-in tariffs for NSW in 2022-23

IPART has published its solar feed-in tariff guide for customers in 2022-23. Customers can expect to receive 6.2 to 10.4 c/kWh from their electricity retailer for the solar exports they feed into the grid. This is up from 4.6 to 5.5 c/kWh in 2021-22.

Tribunal member Sandra Gamble said that higher forecast wholesale prices over the next year has driven the higher benchmark.

"In 2022-23 we are expecting higher wholesale electricity prices, driven by higher coal and gas prices, and planned and unplanned plant outages." Ms Gamble said.

Ms Gamble said that most customers get the most value from their solar panels by using electricity when their solar panels are generating during the day. This allows customers to reduce their cost of purchasing electricity from retailers.

"Solar customers can power their heaters, air conditions and pool pumps with their solar panels if they time it right." Ms Gamble said.

Retailers' prices are higher than the solar feed-in tariff rates because retail prices include network costs and environmental subsidies.

The value of solar exports to the electricity system varies at different times of the day and so IPART has also set different time-of-day benchmarks. The highest time-of-day benchmark is around 27 c/kWh during 6 to 7 pm in 2022-23, but less than 0.1% of exports occur during this time. As batteries become more widespread, customers will have more control over when they can export power to the grid.

IPART has also published a fact sheet showing the solar feed-in tariffs currently being offered by retailers.

"We found that many retailers offer solar feed-in prices above IPART's benchmark." Ms Gamble said.

"However, customers should consider all aspects of a retailer's offer including usage and fixed charges. The offer with the highest feed-in tariff may not be the best deal overall,"

Customers can compare retailers' offers on www.energymadeeasy.gov.au.

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