

Media Release

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IPART publishes NSW solar feed-in tariff benchmarks for 2024-25

IPART has published its solar feed-in tariff benchmark ranges for 2024-25.

Consumers can expect to receive a flat rate solar feed-in tariff between 4.9 to 6.3 c/kWh from their retailer for the solar energy they export to the grid.

Tribunal member Jonathan Coppel said that the value of solar is based on IPART's forecast of the wholesale price of electricity at the times that solar is exported to the grid.

"The solar feed-in tariff for 2024-25 is lower than last year. This reflects that forecast wholesale electricity prices have fallen, following 2 years of unusually high prices," Mr Coppel said. "The decrease is mainly due to record electricity generation from grid-wide renewables and roof top solar, as well as lower coal prices."

Mr Coppel said that most customers get the best value from their solar panels by using the solar electricity they generate. This allows customers to reduce how much electricity they buy from their retailer.

Retailers' electricity prices are higher than the solar feed-in tariff rates because retail prices also include network costs, environmental obligations, and the cost of their operations. They also recover the higher cost of wholesale electricity prices when solar is not exporting, which are much higher than the wholesale costs in the middle of the day when solar exports are helping to power the grid.

The value of solar exports to the electricity system also varies based on different times of the day. IPART has also published time-of-day benchmark ranges. The highest time-of-day benchmark range is between 18 to 22 c/kWh during 6 to 7 pm. At this time electricity prices are high and there is very little solar energy exported to the grid.

IPART has published Fact Sheets to help consumers understand solar feed-in tariffs and an interactive dashboard to show consumers the solar feed-in tariffs offered by retailers and how they compare to IPART's benchmark ranges. These are available on the IPART website.

"When considering which plan is best for them, customers should consider all aspects of a retailer's offer including usage and fixed charges and any conditions," Mr Coppel said. "The plan 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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