

# On farm power generation options for Australian vegetable growers - VG13051 - Update on government subsidies and policy February 2017

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Gordon Rogers, Applied Horticultural Research

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## Update on Small Technology Certificates (STCs)

The small-scale renewable energy scheme maintains a price at \$37-\$40. The deeming period for solar PV is reduced from 2017 onward declines as indicated in the table below.

The Clean Energy Regulator will be closely monitoring installation dates during this time to ensure that the correct deeming period is applied.

To estimate subsidies, refer to the [small generation unit STC calculator](#) and the [solar water heater STC calculator](#). These calculators reflect the current deeming periods and can be used to calculate the number of certificates applied until 2030.

**Table 1. Changes in the Solar PV Deeming Period**

Year solar (PV) system installed	Deeming Period in years
before 2016	15
2016	15
2017	14
2018	13
2019	12
2020	11
2021	10
2022	9
2023	8
2024	7
2025	6
2026	5
2027	4
2028	3
2029	2
2030	1

## Feed-in tariffs

- NSW: Feed in tariff closed to new parties (Jan 2017). Existing Solar Bonus (big tariffs eg. 20c or 60c/kwh) scheme recipients no longer receive subsidy.
  - Scheme still pays 5c/kwh for existing systems.
- VIC: Transitional and Standard Feed-in Tariff schemes will transfer onto the current feed-in tariff scheme on 1 January 2017.
  - 5c/kwh rebate remains
- TAS: **Increased** tariff from 5.50c/kwh to 6.67c/kwh (21%) in July 2016
  - Policy of 'fair and reasonable' value for their exported electricity
- QLD: Regulated feed in tariff closed.
  - Regional feed-in tariff regulated at 7.45c/kwh (increased from 6.35c/kwh in 2016)
  - Introducing variable feed-in tariff (increased rate at peak demand, lower at off-peak)
- NT: Gross feed-in tariff that pays the same as purchase price
- WA: Feed-in tariff closed to new parties.
- ACT: Feed-in tariff closed to new parties
- Private companies (ie Origin Electricity) will pay a feed-in tariff at 6c/kwh

## Future of the solar PV industry

- Less government support. Solar will still be economically viable.
- Lower cost solar panels. There is an oversupply of solar panels in China.
  - <https://www.bloomberg.com/news/articles/2016-08-23/solar-industry-braces-as-looming-glut-threatens-to-erode-prices>
- Lower cost batteries. It is expected that battery storage will be viable in 3-5 years. Larger commercial operations should achieve viability sooner than residential. Further down the track, worn EV car batteries will be repurposed into stationary energy storage (eg. Tesla Powerwall can use old car batteries).
  - [http://www.business.uwa.edu.au/data/assets/pdf\\_file/0006/2860062/Thomas-Brinsmead.pdf](http://www.business.uwa.edu.au/data/assets/pdf_file/0006/2860062/Thomas-Brinsmead.pdf)