



SOLAR CREDITS for small scale renewables

Government support

The Australian Government supports the development of renewable energy industries in Australia that will aid the expanded Renewable Energy Target.

Recently the Australian Government announced a new way of supporting solar photovoltaic (PV) systems on rooftops of Australian homes.

Solar Credits will replace the Solar Homes and Communities Plan as the government's primary means of supporting the installation of household solar power systems.

Schools, communities, businesses and developers, in fact a range of applicants, previously ineligible under the SHCP, will be now eligible. No means test is applied under the Solar Credits scheme.

Renewable Energy Target

The national Renewable Energy Target supports the reduction of Australia's greenhouse gas emissions by increasing the proportion of Australia's electricity generated from renewable energy sources.

The Australian Government has committed to achieve a 20 per cent share of renewable energy in Australia's electricity supply in 2020.

The Solar Credits scheme

In July 2009, the Australian Government will introduce legislation for an expanded Renewable Energy Target (RET) of an additional 45,000 gigawatt-hours of renewable electricity in 2020.

As part of the government's commitment to an expanded RET, purchasers of eligible small generation units, such as roof top solar systems, will receive Solar Credits to assist with the upfront cost of installing the systems. Rooftop solar systems will generate solar credits equal to 15 years in advance, redeemable upfront based on the potential generation over the life of the system.

From 1 July 2009 until June 2012, the number of solar credits received will be multiplied by five, enabling householders an increased return from their generation. From June 2012, the amount of credits will be reduced annually until 2016. The new system will apply to the first 1.5 kilowatts of system capacity.

Who can apply?

Any purchaser of a micro-generation unit that meets Australian standards and is installed by an accredited installer. This significantly expands the eligibility for government support for solar PV in Australia.