

# Queensland Competition Authority

Monitoring report

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## Solar feed-in tariffs in south east Queensland 2020–21

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October 2021

We wish to acknowledge the contribution of the following staff to this report:

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## OVERVIEW

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Solar feed-in tariffs are the prices that electricity retailers pay to customers with solar PV systems who export surplus electricity to the electricity network. In south east Queensland (SEQ), retailers set the amount customers will receive for exports.

The Queensland Government has directed us to report on solar feed-in tariffs (feed-in tariffs) offered to residential and small business customers in SEQ on an annual basis. This report is our fifth annual report and covers the period from 1 July 2020 to 30 June 2021.

### Key findings

- The number of retailers offering retail plans with feed-in tariffs continued to increase in 2020–21. Across retail plans for residential and small business customers, the number of retailers offering feed-in tariffs in SEQ increased from 30 in 2019–20 to 35 in 2020–21.
- Average residential feed-in tariffs in SEQ continued to decrease in 2020–21, as wholesale energy costs declined. By the June quarter of 2021, the market average decreased to 6.8 c/kWh (from 8.5 c/kWh in the June quarter of 2020). The residential feed-in tariffs ranged from 1 to 15 c/kWh in the June quarter 2021.
- Retailers in SEQ offered retail plans with different combinations and levels of feed-in tariffs, supply and usage charges, discounts, incentives and recurring fees. These differences resulted in a wide range of bills across retailers and, in some cases, across a retailer's own plans.
- Retail plans with the highest feed-in tariffs did not deliver the lowest net bills for every customer. Customers who had low consumption and a low solar export ratio were generally better off with plans that had lower supply and usage charges. Customers who had high consumption and a high export ratio were generally better off with plans that included higher feed-in tariffs and lower usage charges.
- Across a range of electricity import and solar export scenarios, Mojo Power, Simply Energy, Elysian Energy, Momentum Energy and Alinta Energy had the cheapest retail plans for residential customers in 2020–21. Blue NRG, Origin Energy, Momentum Energy and Alinta Energy had the cheapest plans for small business customers.

### Advice for customers

We recommend that you compare retail electricity plans by using the Australian Energy Regulator's (AER) Energy Made Easy website. Energy Made Easy is free to use, independent of commercial third parties and includes all generally available plans in the SEQ market.

When you compare plans, it is critical to consider not just the feed-in tariff, but the amount of electricity you use, the times of the day that you use the most electricity and all other aspects of plans.

For plans that are only available to customers purchasing solar PV systems through the retailer (or a third party), the cost of purchasing the system, and any other terms and conditions related to the purchase, also need to be carefully considered.

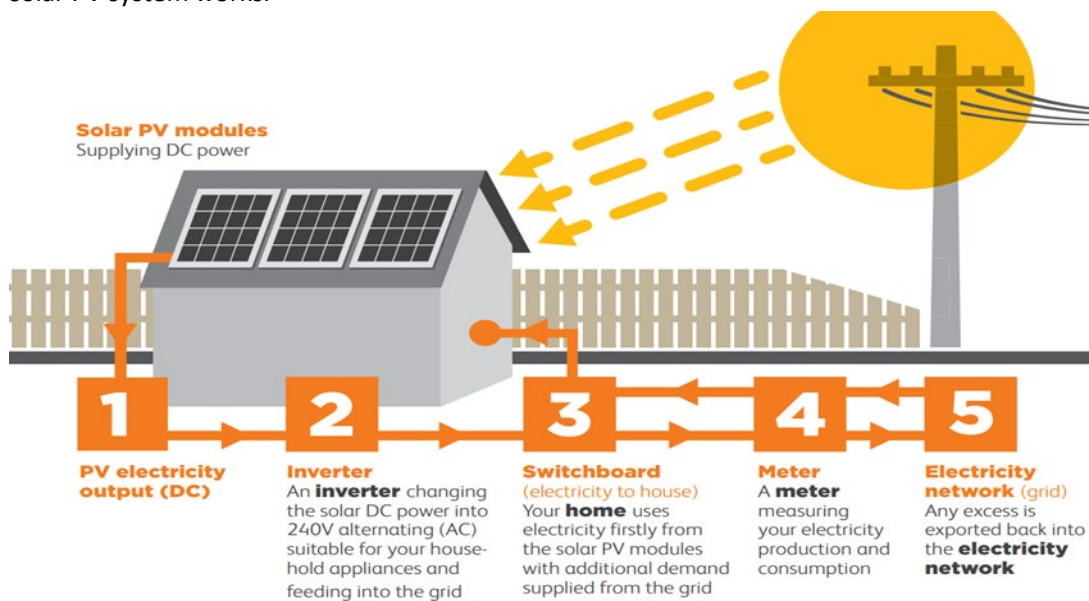
### More information on this report

For more information, phone the QCA on (07) 3222 0555 or make an enquiry on the QCA [website](#).

# 1 INTRODUCTION

## 1.1 Solar feed-in tariffs

Solar photovoltaic (PV) systems generate electricity at the customer's home or business premises. If a customer's PV system produces more electricity than the premises is using, the surplus electricity is exported, or 'fed in', to the electricity network. The figure below shows how a simple solar PV system works.



Source: Clean Energy Council, *Guide to installing solar for households*, 2015, p 5.

Solar feed-in tariffs are the prices that the retailers pay customers for these exports. Retailers make these payments because other customers import the electricity that customers with solar PV systems export, which reduces the amount of electricity that retailers must buy on the wholesale energy market. In SEQ, feed-in tariffs are set by retailers.<sup>1</sup>

Queensland has more solar PV systems (over 600,000) than any other state,<sup>2</sup> and nearly one in three Queensland customers in detached houses have a solar PV system, which means that Queensland has one of the highest levels of rooftop solar uptake in the world.<sup>3</sup> Battery penetration is also increasing, albeit off a low base.

## 1.2 Monitoring and reporting in SEQ

Retail electricity prices for residential and small business customers in SEQ were deregulated by the Queensland Government on 1 July 2016. The government has since directed us to monitor and report on feed-in tariffs in the SEQ retail electricity market. The direction requires us to report

<sup>1</sup> SEQ refers to the area of Queensland covered by the Energex distribution network. In regional Queensland (the area of Queensland covered by the Ergon and Essential Energy distribution networks), where there is limited competition, the QCA sets the feed-in tariff each year. More information is available in the regional Queensland feed-in tariff reports on our website at [Solar feed-in tariffs](#).

<sup>2</sup> Queensland Government, *Solar supply in Queensland is through the roof* [media statement], 30 August 2020.

<sup>3</sup> Queensland Government, *Network-connected battery storage trial to begin in Queensland* [media statement], 25 March 2021.

on feed-in tariffs that were available to customers in the preceding tariff year (monitored on a quarterly basis) and to publish the report by 31 October each year.<sup>4</sup>

### 1.3 Components of a customer's bill

Retail electricity plans for customers with solar PV systems typically have four elements:

- fixed supply charge(s)—these charges generally cover infrastructure and metering costs associated with the electricity network as well as retail costs, and are usually charged on a cents per day (c/day) basis
- variable usage charge(s)—these charges cover the cost of imported electricity, variable retail and variable network costs, and are generally charged on a c/kWh basis
- discounts, fees and other charges—these often have various terms and conditions attached to them
- feed-in tariff(s)—these are the prices paid to customers with solar PV systems for electricity that they export to the network.

Solar feed-in tariffs are not set at the same level as the variable usage charges on retail electricity plans. This is because retailers only avoid *some* of their normal business costs (avoided costs of purchasing wholesale energy from generators and energy losses) when they buy energy from customers with solar PV systems. Retailers still incur most of their normal business costs (retail operating costs and network charges) and consequently they would incur a loss if they offered a feed-in tariff equal to their variable usage charges, inclusive of avoided costs and their normal business costs. A 'one-for-one' feed-in tariff would require the retailer to subsidise customers who exported energy generated by their solar PV system; the cost of a subsidy would then need to be recovered through higher electricity prices for all customers.<sup>5</sup>

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<sup>4</sup> The direction notice is available on our [website](#).

<sup>5</sup> For more detail on this issue see Queensland Productivity Commission (QPC), *Solar feed-in pricing in Queensland* [final report], 2016, pp 36–38 (particularly figure 17). Chapter 7 of the QPC report also discusses equity issues that can arise if solar feed-in tariffs exceed market rates. Also see IPART, *Solar feed-in tariff benchmark 2020–21* [final report], 2020, p 6 ('Why is the benchmark lower than what I pay for electricity?').

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## 2 RETAIL FEED-IN TARIFFS

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### Key findings

- The number of retailers offering retail plans with solar feed-in tariffs continued to increase in 2020–21, with 35 retailers offering feed-in tariffs in the June quarter 2021, up from 30 in the June quarter 2020.
- Lower wholesale energy prices contributed to a decrease in feed-in tariffs for both residential and small business customers.
- Average feed-in tariffs offered to residential customers declined in 2020–21 from 7.7 c/kWh in the September quarter 2020 to 6.8 c/kWh in the June quarter 2021. The feed-in tariffs offered to residential customers ranged from 1.0 to 18.0 c/kWh over 2020–21, with EnergyAustralia offering the highest feed-in tariff.
- Average feed-in tariffs offered to small business customers also declined in 2020–21, from 8.1 c/kWh in the September quarter 2020 to 7.1 c/kWh in the June quarter 2021. The feed-in tariffs offered to small business customers ranged from 3.5 to 13.5 c/kWh in 2020–21, with Momentum Energy offering the highest feed-in tariff.
- No new or particularly innovative feed-in tariff structures emerged in 2020–21.

### 2.1 Overview

This chapter includes:

- a comparison of the lowest, highest and average feed-in tariffs between retailers
- a discussion of trends in relation to retailers' feed-in tariffs in and between the reporting period (2020–21) and preceding tariff years
- comment on the emergence of new and/or innovative feed-in tariff structures.

### 2.2 Data sources

#### Retailer feed-in tariff and plan data

For our analysis of feed-in tariffs and bills, we obtained information on retailers' retail electricity plans in 2020–21 from Energy Made Easy. Our analysis does not incorporate the Queensland Solar Bonus Scheme feed-in tariff, which is a legacy feed-in tariff of 44 c/kWh that is not available to new customers.<sup>6</sup>

#### Consumption and solar export data

We have calculated net bill positions for customers for a range of consumption and solar export levels. These consumption and solar export levels are based on metering information provided to us by Energex. We consider this the most appropriate data to use, as it is derived from the same data used to generate actual customer bills in SEQ.<sup>7</sup>

Our analysis is based on electricity consumed from and exported to the grid and does not include electricity that customers generate for their own use.

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<sup>6</sup> Queensland Government, *Solar Bonus Scheme 44c feed-in tariff*, Queensland Government website, 2021, viewed 8 October 2021.

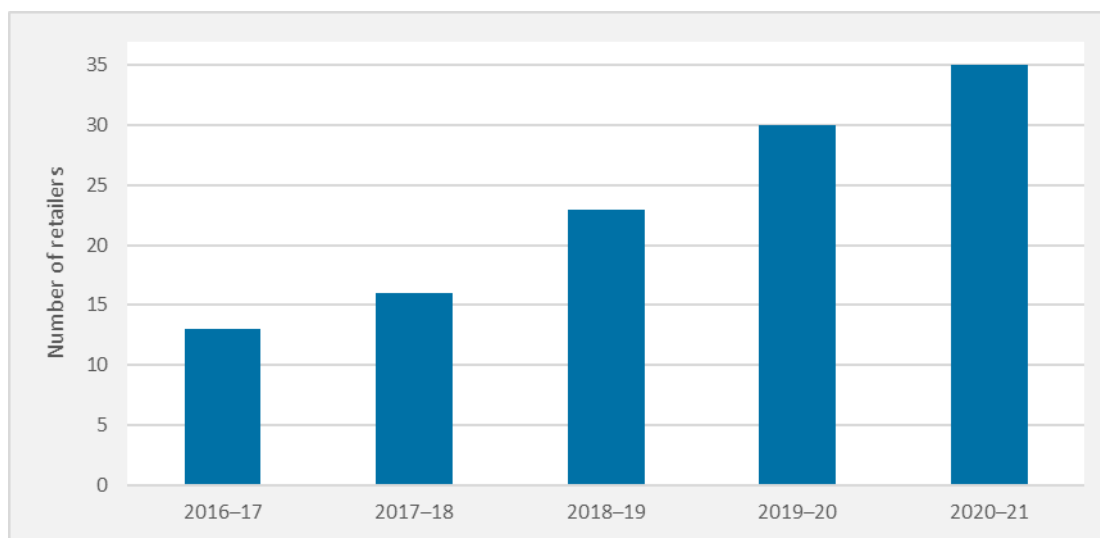
<sup>7</sup> Tables 10 to 13 in section 3.4 show the consumption levels and export ratios used in our bill analysis.

## 2.3 Lowest, highest and average feed-in tariffs in 2020–21

The number of retailers offering plans with feed-in tariffs to residential and small business customers in SEQ has continued to increase in 2020–21, with 35 retailers offering these plans in the June quarter 2021.

As in previous years, some retailers did not offer plans with feed-in tariffs to both residential customers and small business customers. For example, Dodo Power and Kogan Energy only offered residential plans with feed-in tariffs, while Blue NRG and Shell Energy only offered small business plans with feed-in tariffs.

**Figure 1** Number of retailers offering feed-in tariffs in the June quarter, 2016–17 to 2020–21



Sources: Energy Made Easy; QCA analysis.

### 2.3.1 Residential plans with a single feed-in tariff

In 2020–21, 35 retailers had at least one residential plan available on Energy Made Easy that included a feed-in tariff. However, some of the retailers did not offer plans with feed-in tariffs in every quarter of the year. The table below shows the average, highest and lowest feed-in tariffs offered to residential customers in SEQ during each quarter of 2020–21.

**Table 1** Average, highest and lowest residential single feed-in tariffs by quarter, 2020–21 (c/kWh)

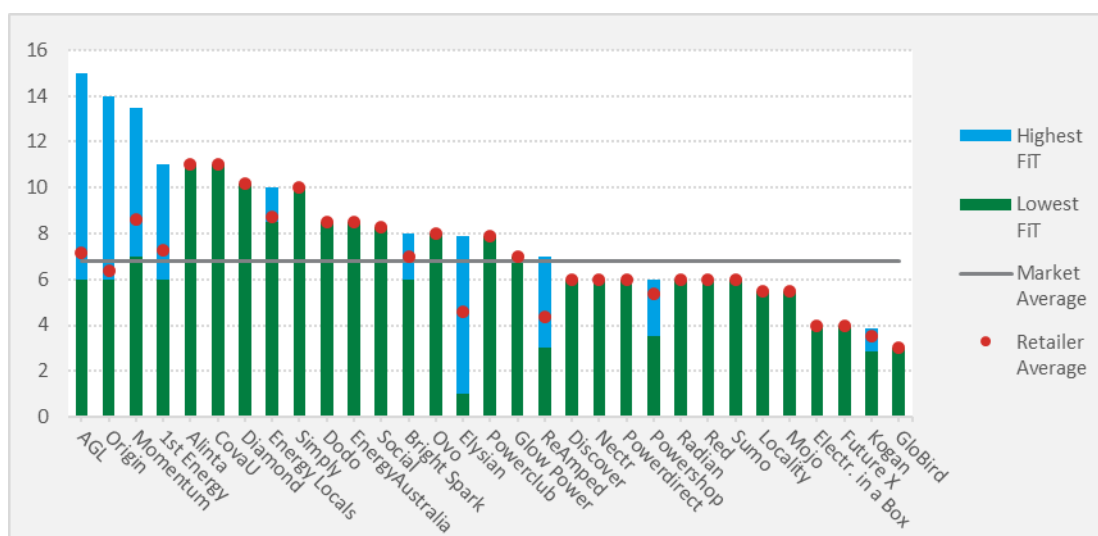
Feed-in tariff	September qtr	December qtr	March qtr	June qtr
Highest	18.0	18.0	15.0	15.0
Average <sup>8</sup>	7.7	7.4	7.1	6.8
Lowest	3.0	1.0	1.0	1.0

Notes: A detailed table with single feed-in tariffs by retailer for each quarter of 2020–21 is included in appendix B. Sources: Energy Made Easy; QCA analysis.

The graph below shows retailers' highest and lowest feed-in tariffs for residential plans in the June quarter 2021, and the average feed-in tariff of 6.8 c/kWh in the market in that quarter.

<sup>8</sup> To calculate the market average feed-in tariff, we first calculated the simple average of feed-in tariffs on each retailer's portfolio of plans (excluding plans with no feed-in tariff attached), and then calculated the simple average of all of the retailers' average feed-in tariffs.



**Figure 2 Residential single feed-in tariffs by retailer, June quarter 2021 (c/kWh)**

Note: Retailers are sorted by their highest feed-in tariff (in descending order). Appendix B shows the residential single feed-in tariffs by retailer in each quarter of 2020–21.

Sources: Energy Made Easy; QCA analysis.

The feed-in tariffs offered to residential customers ranged from 1.0 to 18.0 c/kWh in 2020–21. EnergyAustralia offered the highest feed-in tariff during the year, while AGL had the highest feed-in tariff in the June quarter. The average feed-in tariff offered to residential customers declined over the year, from 7.7 c/kWh in the September quarter to 6.8 c/kWh in the June quarter.

### 2.3.2 Small business plans with a single feed-in tariff

In 2020–21, 32 retailers had at least one small business plan available on Energy Made Easy that included a feed-in tariff. However, some of the retailers did not offer plans with feed-in tariffs in every quarter of the year.

The table below shows the average, highest and lowest feed-in tariffs offered to small business customers in SEQ during each quarter of 2020–21.

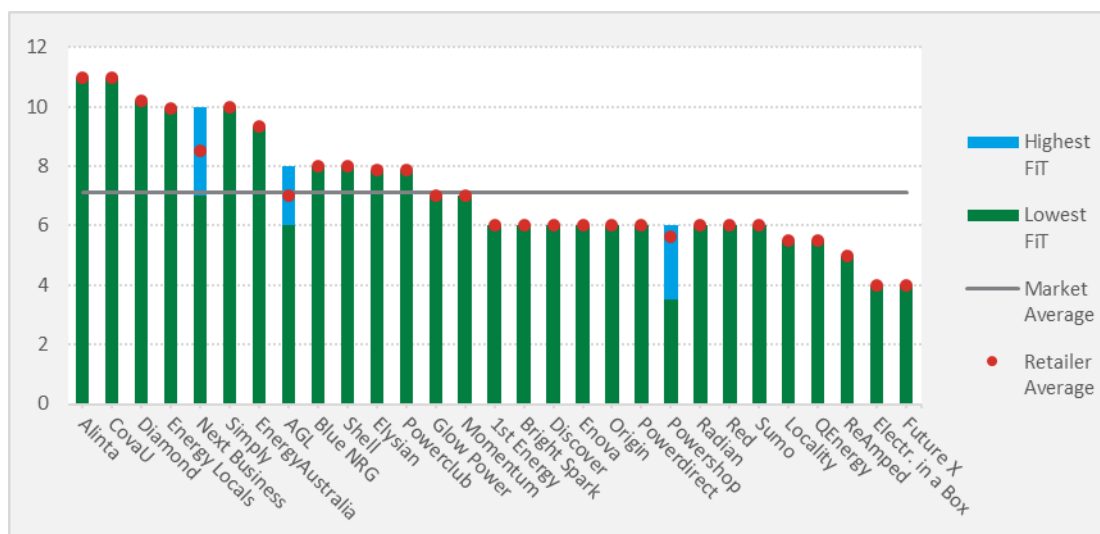
**Table 2 Average, highest and lowest small business single feed-in tariffs by quarter, 2020–21 (c/kWh)**

Feed-in tariff	September qtr	December qtr	March qtr	June qtr
Highest	12.65	13.5	13.5	11.0
Average <sup>9</sup>	8.1	7.6	7.5	7.1
Lowest	4.0	4.0	4.0	3.5

Notes: A detailed table with single feed-in tariffs by retailer for each quarter of 2020–21 is included in appendix B. Sources: Energy Made Easy; QCA analysis.

The graph below shows retailers' feed-in tariff ranges for small business plans in the June quarter 2021 compared to the average feed-in tariff in the market for that quarter (7.1 c/kWh).

<sup>9</sup> To calculate the market average feed-in tariff, we first calculated the simple average of feed-in tariffs on each retailer's portfolio of offers (excluding offers with no feed-in tariff attached), and then calculated the simple average of all of the retailers' averaged feed-in tariffs.

**Figure 3 Small business single feed-in tariffs by retailer, June quarter 2021 (c/kWh)**

Note: Retailers are sorted by highest feed-in tariff (in descending order). Appendix B shows the small business single feed-in tariffs by retailer in each quarter of 2020–21.

Sources: Energy Made Easy; QCA analysis.

The feed-in tariffs offered to small business customers ranged from 3.5 to 13.5 c/kWh in 2020–21. Alinta Energy and CovaU offered the highest feed-in tariffs in the June quarter 2021 (11 c/kWh), but Momentum Energy offered the highest feed-in tariff in 2020–21 (13.5 c/kWh). The average feed-in tariff offered to small business customers declined over the year, from 8.1 c/kWh in the September quarter to 7.1 c/kWh in the June quarter.

### 2.3.3 Plans with two feed-in tariffs

Some retailers offer plans that include two feed-in tariffs, where the first feed-in tariff applies to a particular export threshold and the second feed-in tariff applies to exports above that threshold. Over the course of 2020–21, six retailers had residential and/or small business plans with two feed-in tariffs. An overview of the two-part feed-in tariffs included in those plans is provided below.

**Table 3 Two-part feed-in tariffs by retailer, 2020–21 (c/kWh)**

Retailer	Residential plans			Small business plans		
	First feed-in tariff	Daily export threshold (kWh)	Second feed-in tariff	First feed-in tariff	Daily export threshold (kWh)	Second feed-in tariff
Discover Energy	16	3.3	10	—	—	—
Energy Locals	14–16	10	8.67–10	16	10	8.5
Enova Energy	10	5	6	—	—	—
Origin Energy	14	8	6–7	19	14	6
ReAmped Energy	17	5	5	—	—	—
Red Energy	15–16.1	5	8–10	15–16.1	5	8–10

Notes: Not all retailers included in the table offered plans with two feed-in tariffs in every quarter of 2020–21. A dash (—) means the retailer did not offer a plan with two feed-in tariffs in 2020–21.

Sources: Energy Made Easy; QCA analysis.

## 2.4 Insights and trends

As more retailers have entered the SEQ retail electricity market, there has been a substantial increase in the number of retailers offering residential plans with feed-in tariffs (from 13 in 2016–17 to 35 in 2020–21) and small business plans with feed-in tariffs (from 11 in 2016–17 to 32 in 2020–21).

Looking at the June quarter in each of the last five years, there were some differences between the feed-in tariffs available on residential plans compared to those available on small business plans. In particular:

- The highest feed-in tariffs available on residential plans were generally higher than those available on small business plans.
- The lowest feed-in tariffs available on residential plans were generally lower or equal to those available on small business plans.
- The average feed-in tariff was marginally lower for residential plans compared to the average for small business plans.

### 2.4.1 Residential plans

In recent years, residential feed-in tariffs have followed the decline in wholesale energy prices, with the average feed-in tariff declining from 10.5 c/kWh in 2017–18 to 6.8 c/kWh in 2020–21. The range between the highest and lowest feed-in tariffs has not changed materially since 2017–18, but both the lowest and the highest feed-in tariffs have declined since 2017–18.

The table below shows the average, highest and lowest single feed-in tariffs in the June quarters of 2016–17 to 2020–21, as well as the number of retailers that offered plans with a feed-in tariff.<sup>10</sup>

**Table 4 Residential single feed-in tariffs, June quarter of 2016–17 to 2020–21 (c/kWh)**

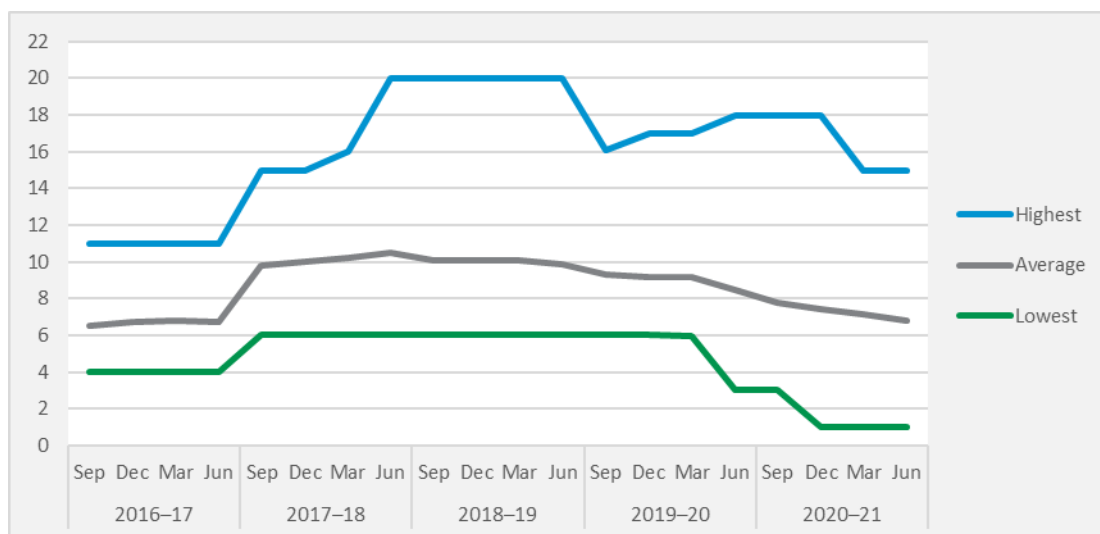
<i>Feed-in tariff</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>	<i>2019–20</i>	<i>2020–21</i>
Highest	11	20	20	18	15
Average <sup>11</sup>	6.7	10.5	9.9	8.5	6.8
Lowest	4	6	6	3	1
<i>Number of retailers with a feed-in tariff</i>	<i>13</i>	<i>16</i>	<i>22</i>	<i>27</i>	<i>31</i>

Sources: Energy Made Easy; QCA analysis.

On a quarterly basis over the four quarters of each year, there has been more variation in the highest single feed-in tariff compared to the lowest feed-in tariff. The graph below shows single feed-in tariffs from the September quarter 2016 to the June quarter 2021.

<sup>10</sup> Appendix C shows the feed-in tariffs available for all four quarters of each year from 2016–17 to 2020–21. Data for 2015–16 is available in the QCA's 2019–20 solar feed-in tariff report.

<sup>11</sup> The averages for 2017–18 and 2018–19 have been updated (from 11 and 10.7 to 10.5 and 9.9 respectively) to exclude Mojo Power and Red Energy's two-part feed-in tariffs.

**Figure 4 Residential single feed-in tariffs by quarter, 2016–17 to 2020–21 (c/kWh)**

Sources: Energy Made Easy; QCA analysis.

More retailers have begun offering two-part feed-in tariffs, which have a second, lower feed-in tariff that applies once a customer exceeds a pre-set export threshold. However, this type of feed-in tariff remains a niche offering in the SEQ retail electricity market, with only a small number of retailers offering it.

Two-part feed-in tariffs first emerged in 2017–18, and over the last four years, the first feed-in tariff on these plans has generally been close to, or above, the highest feed-in tariff available on plans with a single feed-in tariff. The second feed-in tariff on these plans is lower and has generally been closer to the average single feed-in tariff. The table below shows the available two-part tariffs in the June quarters of 2016–17 to 2020–21.

**Table 5 Residential two-part feed-in tariffs, June quarter of 2016–17 to 2020–21 (c/kWh)**

Retailer	2016–17	2017–18	2018–19	2019–20	2020–21
Discover Energy	—	—	—	—	10–16
Energy Locals	—	—	—	10–16	—
Enova Energy	—	—	—	—	6–10
Mojo Power	—	9–20	9–20	—	—
Origin Energy	—	—	—	7–15	—
ReAmped Energy	—	—	—	—	5–17
Red Energy	—	—	11.5–17	10–16.1	8–15

Note: A dash (—) means the retailer did not attach a two-part feed-in tariff to its plan(s) in the SEQ market or did not have any plans in the market.

Sources: Energy Made Easy; QCA analysis.

## 2.4.2 Small business plans

Small business feed-in tariffs have followed the decline in wholesale energy prices, with the average feed-in tariff declining from 10.2 c/kWh in 2017–18 to 7.1 c/kWh in 2020–21. The range between the highest and lowest feed-in tariffs has decreased materially since 2018–19, and both the highest and the lowest feed-in tariffs decreased in 2020–21.

The table below shows the average, highest and lowest single feed-in tariffs for small business customers in the June quarters of 2016–17 to 2020–21, as well as the number of retailers that offered plans with a feed-in tariff.<sup>12</sup>

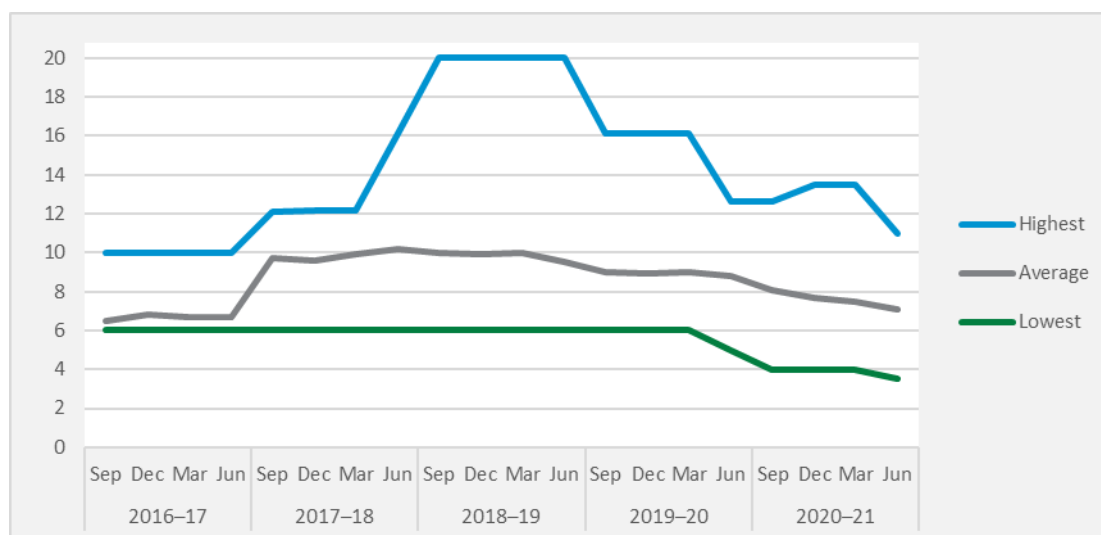
**Table 6 Small business single feed-in tariffs, June quarter of 2016–17 to 2020–21 (c/kWh)**

<i>Feed-in tariff</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>	<i>2019–20</i>	<i>2020–21</i>
Highest	10	16.1	20	12.65	11
Average <sup>13</sup>	6.7	10.2	9.5	8.8	7.1
Lowest	6	6	6	5	3.5
<i>Number of retailers with a feed-in tariff</i>	<i>11</i>	<i>13</i>	<i>18</i>	<i>23</i>	<i>29</i>

Sources: Energy Made Easy; QCA analysis.

On a quarterly basis over the four quarters of each year, there has been more variation in the highest feed-in tariff compared to the lowest feed-in tariff. The graph below shows small business feed-in tariffs from the September quarter 2016 to June quarter 2021.

**Figure 5 Small business single feed-in tariffs by quarter, 2016–17 to 2020–21 (c/kWh)**



Sources: Energy Made Easy; QCA analysis.

As with residential plans, only a small number of retailers offer small business plans with two feed-in tariffs. As this type of plan has only been offered over the last three years by a very small number of retailers, it is not possible to make any reliable observations regarding trends. The table below shows the available two-part tariffs in the June quarters of 2016–17 to 2020–21.

**Table 7 Small business two-part feed-in tariffs, June quarter of 2016–17 to 2020–21 (c/kWh)**

<i>Retailer</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>	<i>2019–20</i>	<i>2020–21</i>
Energy Locals	—	—	—	—	8.5–16
Origin Energy	—	—	—	7–20	6–19
Red Energy	—	—	11.5–17	10–16.1	8–15

Note: A dash (—) means the retailer did not attach a two-part feed-in tariff to its plan(s) in the SEQ market or did not have any plans in the market.

Sources: Energy Made Easy; QCA analysis.

<sup>12</sup> See Appendix C for information on feed-in tariffs in each quarter of 2016–17 to 2020–21.

<sup>13</sup> The average for 2018–19 has been updated (from 10 to 9.5) to exclude Red Energy's two-part feed-in tariffs.

### 2.4.3 Recent trends in other regions of the National Electricity Market

While wholesale energy costs are determined separately in each region of the National Electricity Market (NEM), energy does flow between regions. We would expect feed-in tariffs to differ between regions, but outcomes in other regions may provide useful insights in the SEQ context. On average, feed-in tariffs in other regions of the NEM were generally lower in 2020–21, with lower wholesale energy costs a key driver of the reduction in feed-in tariffs.

#### New South Wales

The Independent Pricing and Regulatory Tribunal (IPART) sets an annual benchmark solar feed-in tariff range to help guide customers. IPART's benchmark range has declined over the last three years. The range was 8.5 to 10 c/kWh in 2019–20 and 6.0 to 7.3 c/kWh in 2020–21. The range is 4.6 to 5.5 c/kWh in 2021–22.<sup>14</sup>

IPART noted that the lower 2021–22 feed-in tariff range was due to lower forecast wholesale electricity prices. IPART also observed that solar feed-in tariffs are likely to stay relatively low over the medium term. This is because wholesale prices in the middle of the day—when solar is exporting to the grid—are likely to be much lower, as solar penetration continues to increase.<sup>15</sup>

#### Victoria

The Essential Services Commission (ESC) sets the minimum feed-in tariff(s) that retailers can credit to customers. The ESC's minimum single rate feed-in tariff has declined over the last three years, from 12.0 c/kWh in 2019–20, to 10.2 c/kWh in 2020–21, and 6.7 c/kWh in 2021–22.<sup>16</sup> The ESC explains that annual changes in the minimum feed-in tariff are affected primarily by the changes in the forecast wholesale electricity price.<sup>17</sup>

#### South Australia

The Essential Services Commission of South Australia (ESCOSA) monitors retailers' solar feed-in tariffs in a similar way as we monitor feed-in tariffs in SEQ. ESCOSA's latest monitoring report shows that the highest and lowest feed-in tariffs have gradually decreased over the last three years. Over the last three years, the range of available tariffs was 6.8 to 23 c/kWh (2018–19), 5 to 23 c/kWh (2019–20) and 2.1 to 22 c/kWh (2020–21).<sup>18</sup>

## 2.5 New and/or innovative feed-in tariff structures

While a small number of new tariff structures and plans have emerged in SEQ since the retail electricity market was deregulated, no innovative feed-in tariff structures emerged in 2020–21.

However, based on our analysis of retailers' market offers on Energy Made Easy in 2020–21, some recent trends continued, including:

- differentiation in the pricing structures of solar market offers compared to non-solar market offers—solar plans with higher feed-in tariffs sometimes had higher daily supply charges<sup>19</sup>

<sup>14</sup> IPART, *Solar feed-in tariff benchmarks 2020–21* [final report], 2020, pp 1–3; IPART, *Solar feed-in tariff benchmarks 2021–22* [final report], 2021, p 1.

<sup>15</sup> IPART, *Solar feed-in tariff benchmarks 2021–22* [final report], 2021, p 18.

<sup>16</sup> ESC, *Minimum electricity feed-in tariff to apply from 1 July 2021* [final decision], 2021.

<sup>17</sup> ESC, *Minimum feed-in tariff*, ESC website, 2021, viewed 20 September 2021.

<sup>18</sup> ESCOSA, *Energy Retail Price Offers Comparison Report 2020–21*, report to the Minister for Energy and Mining, 2021, pp 18–19; QCA analysis.

<sup>19</sup> We note that some retailers' solar offers may have had higher daily supply charges, because solar metering charges were included in that charge.

and/or usage charges, or did not have the same guaranteed or conditional discounts as non-solar plans<sup>20</sup>

- increased use of eligibility criteria—some plans imposed solar-specific eligibility requirements; for example, the customer had to have a maximum or minimum solar system size to access the plan<sup>21</sup>
- use of two-part tariffs—a slightly higher number of retailers offered plans with two feed-in tariffs in 2020–21.

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<sup>20</sup> For example, AGL's Residential Solar Savers plans had higher feed-in tariffs, supply charges and usage charges; 1st Energy's 1st Solar Boost plans had higher feed-in tariffs but did not include the guaranteed and conditional (pay on time) discounts that were available on other residential plans.

<sup>21</sup> For example, Momentum Energy and Simply Energy offered at least one plan during the year that had requirements in relation to solar system size.

## 3 BILL ANALYSIS OF RETAIL ELECTRICITY PLANS WITH FEED-IN TARIFFS

### Key findings

- Variations in bills between retailers and across an individual retailer's range of plans with feed-in tariffs were generally a result of differences in supply and usage charges, discounts and incentives.
- The plans with the highest feed-in tariffs were not always the best option for every customer, particularly if a customer had a low export ratio.
- Customers with a low import level and low export ratio were generally better off with plans that had lower supply and usage charges. These plans generally had lower feed-in tariffs.
- Customers with a high export level and high export ratio were generally better off with plans that included higher feed-in tariffs and lower usage charges. It was not uncommon for these plans to have higher supply charges.

### 3.1 Overview

In this chapter we:

- report on variations to retailers' generally available market offer prices that are offered in conjunction with a feed-in tariff, including variations to fixed and variable electricity charges
- compare and rank the net overall bill position from generally available market offers, considering electricity charges and feed-in tariffs.

### 3.2 Methodology

Our analysis provides bill value ranges for each retailer's plans with a feed-in tariff.<sup>22</sup> The bill calculations exclude the impact of solar exports so that the variations in bills (either between different retailers' plans or within a retailer's plans) can be attributed to supply charges, usage charges, discounts, membership fees and fees to access wholesale prices.

The bill analysis in this section is based on a customer with a solar PV system—with typical consumption—on the most common tariffs and tariff combinations. The median consumption level of customers in SEQ with a solar PV system is used to represent a typical level of consumption.<sup>23</sup>

We determined the most common tariffs and tariff combinations by analysing (unpublished) Energex data on the number of solar customer national metering identifiers on each Energex network tariff. The table below lists the most common network tariffs and tariff combinations, with the network tariff codes shown in brackets.<sup>24</sup>

<sup>22</sup> While the terms of reference only requires us to report on generally available market offer prices, we have reported on generally available market offers and standing offers that offered customers a feed-in tariff (that is, both market offers and standing offers). This is the approach we have taken in previous years and we consider that it provides a more complete report on the options available to customers with solar PV systems.

<sup>23</sup> Data (unpublished) provided by Energex.

<sup>24</sup> Energex, *Historic pricing publications* [2020–21 pricing publications], Energex website, n.d., viewed 10 October 2021.



**Table 8 Most common tariffs and tariff combinations for solar customers, SEQ**

<i>Customer type</i>	<i>Network tariff(s)</i>
Residential	Residential flat rate (T8400) Residential flat rate (T8400) and controlled load super economy (T9000) Residential flat rate (T8400) and controlled load economy (T9100)
Small business	Business flat rate (T8500)

Source: Energex data (unpublished); QCA analysis.

### 3.3 Bills for plans with feed-in tariffs, excluding solar feed-in tariff credits

In 2020–21, most retailers in the SEQ market offered at least one retail electricity plan with a feed-in tariff. Some of these retailers had significant differences in the supply charges, usage charges, discounts, incentives and recurring fees (that is, membership fees and fees to access wholesale prices) on their plans. These differences led to significant variances in bills across retailers and even within individual retailers.

Our analysis shows that typical bills in the June quarter of 2021 ranged from:

- \$960 (Elysian Energy) to \$1,584 (AGL) for residential customers on a flat rate tariff
- \$1,095 (Elysian Energy) to \$1,707 (Origin Energy) for residential customers on a flat rate with super economy controlled load tariff combination
- \$1,086 (Elysian Energy) to \$1,703 (AGL) for residential customers on a flat rate with economy controlled load tariff combination
- \$2,049 (Momentum Energy) to \$3,422 (Energy Locals) for small business customers on a flat rate tariff.

Table 9 shows each retailer's highest and lowest bills for retail plans with feed in tariffs—but excluding feed-in tariff revenue—for the June quarter of 2021 for residential and small business customers.<sup>25</sup>

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<sup>25</sup> The bills are based on the plans that were available on Energy Made Easy in the June quarter of 2021. Where a retailer's plan had a solar metering charge listed as a fee on Energy Made Easy, it has been included in our bill analysis. A spreadsheet containing all plans, including all supply and usage charges, is available on our [website](#).

**Table 9 Annual bill variations (excluding solar feed-in tariff credits) for residential and small business customers, June quarter 2021 (\$)**

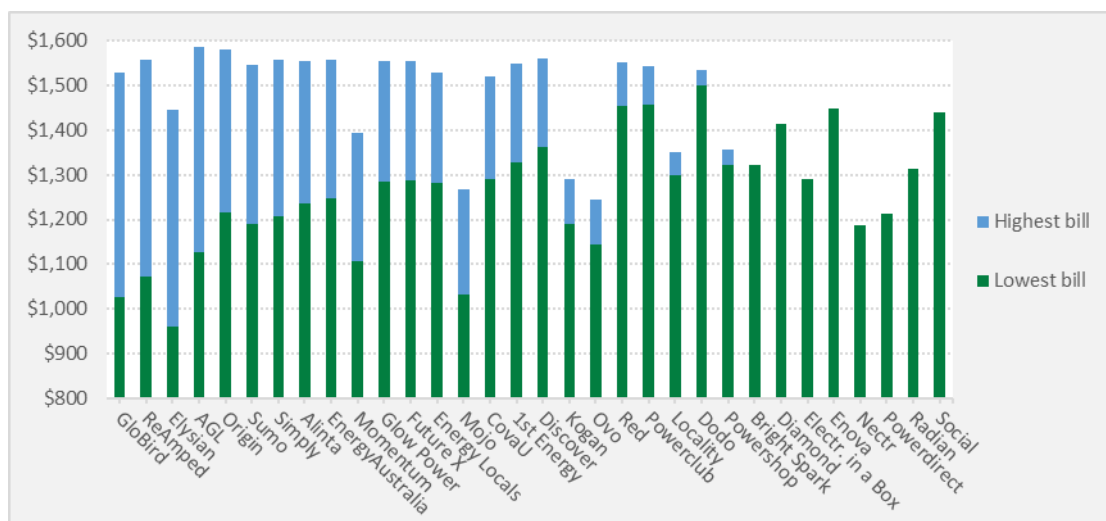
Retailer	Residential flat rate			Residential flat rate with super economy controlled load			Residential flat rate with economy controlled load			Small business flat rate		
	Lowest	Highest	Variance*	Lowest	Highest	Variance*	Lowest	Highest	Variance*	Lowest	Highest	Variance*
1st Energy	1,328	1,550	221	1,393	1,625	232	1,439	1,679	240	2,298	2,711	413
AGL	1,127	1,584	457	1,203	1,674	472	1,227	1,703	476	2,358	2,906	547
Alinta Energy	1,235	1,556	321	1,330	1,651	321	1,367	1,671	304	2,358	3,234	876
Blue NRG	—	—	—	—	—	—	—	—	—	2,072	3,132	1,061
Bright Spark Power	1,321	1,321	0	—	—	—	—	—	—	2,302	2,302	0
CovaU	1,292	1,520	228	—	—	—	1,407	1,407	0	2,387	2,809	421
Diamond Energy	1,415	1,415	0	—	—	—	—	—	—	2,633	2,633	0
Discover Energy	1,361	1,561	200	1,456	1,673	218	1,450	1,667	217	2,472	2,867	395
Dodo Power & Gas	1,499	1,535	36	1,654	1,685	30	1,647	1,678	31	—	—	—
Electricity in a Box	1,290	1,290	0	1,402	1,402	0	1,395	1,395	0	2,359	2,359	0
Elysian Energy	960	1,445	485	1,095	1,565	470	1,086	1,557	471	2,280	2,960	680
Energy Locals	1,282	1,528	246	1,364	1,404	40	1,376	1,416	40	2,385	3,422	1,037
EnergyAustralia	1,246	1,558	312	1,325	1,657	331	1,337	1,672	334	2,466	2,834	368
Enova Energy	1,449	1,449	0	1,545	1,545	0	1,555	1,555	0	2,250	2,250	0
Future X Power	1,288	1,554	266	1,451	1,672	222	1,441	1,665	223	2,467	2,849	382
GloBird Energy	1,027	1,529	501	1,116	1,656	540	1,110	1,648	537	—	—	—
Glow Power	1,286	1,554	268	1,450	1,683	233	1,440	1,675	235	2,466	2,849	384
Kogan Energy	1,189	1,292	103	1,272	1,384	112	1,285	1,396	111	—	—	—
Locality Planning Energy	1,298	1,349	51	1,363	1,441	78	1,399	1,479	80	2,340	2,343	2
Mojo Power	1,031	1,268	237	1,132	1,341	209	1,145	1,355	210	—	—	—
Momentum Energy	1,106	1,394	288	1,189	1,499	309	1,187	1,495	308	2,049	2,304	255
Nectr	1,188	1,188	0	1,307	1,307	0	1,299	1,299	0	—	—	—
Next Business Energy	—	—	—	—	—	—	—	—	—	2,739	2,887	148
Origin Energy	1,216	1,581	364	1,316	1,707	391	1,310	1,700	389	2,472	2,862	391
Ovo Energy	1,144	1,244	100	1,293	1,393	100	1,304	1,404	100	—	—	—
Powerclub	1,456	1,542	87	1,581	1,668	87	—	—	—	2,522	2,609	87
Powerdirect	1,214	1,214	0	1,286	1,286	0	1,311	1,311	0	2,502	2,502	0
Powershop	1,323	1,357	35	1,355	1,468	113	1,441	1,477	35	2,394	2,761	367
QEnergy	—	—	—	—	—	—	—	—	—	2,182	2,182	0
Radian Energy	1,314	1,314	0	1,413	1,413	0	—	—	—	2,404	2,404	0
ReAmped Energy	1,071	1,556	485	1,162	1,683	521	1,214	1,675	461	2,229	2,229	0
Red Energy	1,455	1,553	98	1,598	1,678	80	1,589	1,670	81	2,577	2,879	302
Shell Energy	—	—	—	—	—	—	—	—	—	2,647	2,788	141
Simply Energy	1,208	1,558	349	1,311	1,679	369	1,304	1,672	368	2,323	2,833	510
Social Energy	1,438	1,438	0	1,544	1,544	0	—	—	—	—	—	—
Sumo Power	1,189	1,547	358	1,314	1,689	375	1,324	1,684	360	2,333	2,906	572

Notes: A dash (—) means the retailer did not have any plans on Energy Made Easy. Bill values coloured blue are the cheapest for the tariff/tariff combination, and values coloured orange are the most expensive. \* The variance is the difference between each retailer's highest and lowest bill. The difference has been calculated before rounding.

Sources: Energy Made Easy; QCA analysis.

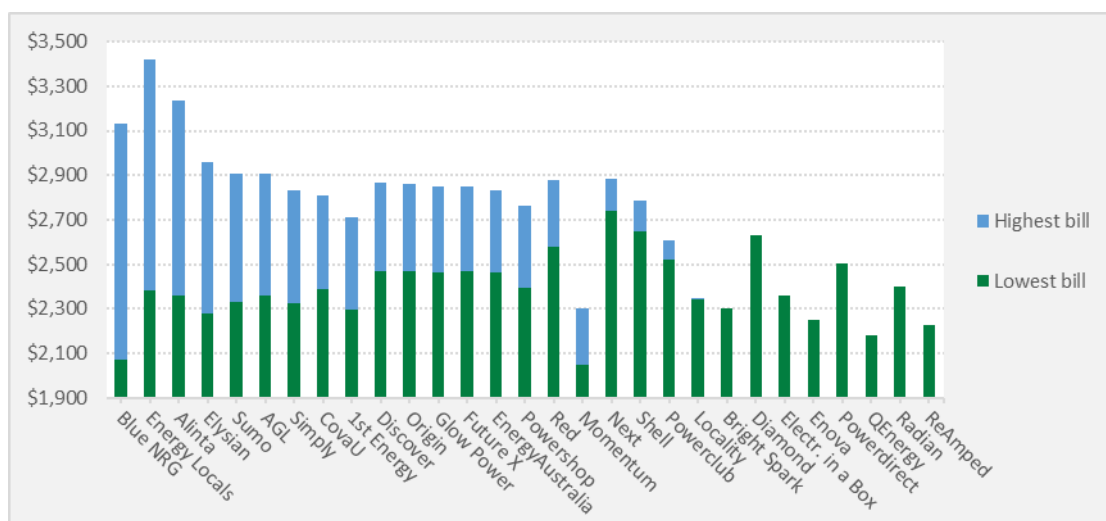
Figures 6 and 7 show bills based on residential and small business flat rate plans with feed-in tariffs, excluding solar feed-in tariff credits.<sup>26</sup>

**Figure 6 Variations in residential flat rate bills for plans with feed-in tariffs, excluding solar feed-in tariff credits, June quarter 2021**



Note: Retailers are sorted by bill variation (in descending order).  
Sources: Energy Made Easy; QCA analysis.

**Figure 7 Variations in small business flat rate bills for plans with feed-in tariffs, excluding solar feed-in tariff credits, June quarter 2021**



Note: Retailers are sorted by bill variation (in descending order).  
Sources: Energy Made Easy; QCA analysis.

As can be seen from figures 6 and 7, in the June quarter of 2021, most retailers had some variation between their highest and lowest annual bills (excluding solar feed-in tariffs) for residential and small business flat rate plans with feed-in tariffs. However, there were some retailers that had no variation in the bills for their plan(s), either because they offered a single retail electricity plan with a feed-in tariff, or their plans with feed-in tariffs had the same prices.

<sup>26</sup> Figure 6 only shows variations in the residential flat rate tariff. As per table 9, the residential economy and super economy control load tariffs showed similar variations to the residential flat rate movements.

Variations in bills between retailers and across an individual retailer's range of plans with feed-in tariffs were generally a result of differences in supply and usage charges, discounts and incentives.

In the June quarter of 2021, the highest bill variations for residential customers (GloBird Energy, \$501; Elysian Energy and ReAmped Energy, both \$485) were larger than those reported in the June quarter of 2020. It was a similar outcome for small business customers, with the highest bill variations in the June quarter of 2021 (Blue NRG, \$1,061; Energy Locals, \$1,037; Alinta, \$876) larger than those recorded in the June quarter of 2020. Most retailers' highest bills were for standing offers and their lowest bills were for market offers.

### 3.4 Comparison and ranking of net overall electricity bills

While section 3.3 presented bills excluding the value of solar feed-in tariff credits, in this section we analyse customers' net overall bill position, which includes the value of those credits. We have ranked customers' net overall bill positions for generally available market offers by:

- total electricity consumption (imports) for a small, typical and large residential customer
- high, medium and low solar export/import ratios.

The analysis includes plans with and without feed-in tariffs.

#### 3.4.1 Methodology

Electricity import and solar export/import ratios are based on Energex metering data, which is the actual data used by retailers to generate electricity bills for customers.<sup>27</sup> We used the following percentile levels for electricity import and solar export/import ratios to develop a nine-scenario matrix (tables 10 to 13) by tariff type:

- 75th percentile—75% of customers with solar PV systems will import less electricity than the 75th percentile customer
- median—50% of customers with solar PV systems will import less electricity than the median customer, or the 50th percentile customer
- 25th percentile—25% of customers with solar PV systems will import less electricity than the 25th percentile customer.

#### 3.4.2 Annual bill rankings

The following tables show the three cheapest plans in 2020–21 for each of the most common tariff types, for each of the nine combinations of imports to export/import ratio. The cheapest plans vary according to a customer's electricity import level (on the left side of each matrix below) and the ratio of exports to imports (at the top row of each matrix below).

Other key conclusions can be drawn from the tables:

- The plans with the highest feed-in tariffs were not always the best option for every customer, particularly if a customer only exported low amounts of electricity to the grid.
- Customers with a small import level and low export ratio were generally better off with plans that had lower supply and usage charges. These plans generally had lower feed-in tariffs.

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<sup>27</sup> Data (unpublished) provided by Energex.

- Customers with a high export level and high export ratio were generally better off with plans that included higher feed-in tariffs and lower usage charges. It was not uncommon for these plans to have higher supply charges.
- For both residential and small business customers, the three cheapest plans were not consistent across the nine electricity consumption and solar export scenarios analysed.

**Table 10 Net annual bill ranking for residential flat rate plans, June quarter 2021**

	<i>Low export ratio</i>				<i>Medium export ratio</i>				<i>High export ratio</i>			
	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>
<i>Small imports</i>	<b>Import 3,088 kWh, export 976 kWh</b>				<b>Import 3,088 kWh, export 2,303 kWh</b>				<b>Import 3,088 kWh, export 4,662 kWh</b>			
	Mojo Power	All Day Breakfast	5.5	689	Mojo Power	All Day Breakfast	5.5	616	Simply Energy	QLD Simply VPP 16% off	10	386
	Elysian Energy	Elysian Market Residential Super Simple Plan (QEX)	1	696	Simply Energy	QLD Simply VPP 16% off	10	622	Momentum Energy	Solar Step-Up	13.5	390
	Mojo Power	All Day Breakfast	5.5	700	OVO Energy	The One Plan	8	626	Alinta Energy	Priority Plus - Single Rate & Solar	11	411
<i>Typical imports</i>	<b>Import 4,800 kWh, export 1,517 kWh</b>				<b>Import 4,800 kWh, export 3,580 kWh</b>				<b>Import 4,800 kWh, export 7,247 kWh</b>			
	Elysian Energy	Elysian Market Residential Super Simple Plan (QEX)	1	945	Mojo Power	All Day Breakfast	5.5	834	Momentum Energy	Solar Step-Up	13.5	416
	Mojo Power	All Day Breakfast	5.5	948	Mojo Power	All Day Breakfast	5.5	837	Alinta Energy	Priority Plus - Single Rate & Solar	11	438
	Mojo Power	All Day Breakfast	5.5	951	Alinta Energy	Priority Plus - Single Rate & Solar	11	841	Simply Energy	QLD Simply VPP 16% off	10	484
<i>Large imports</i>	<b>Import 7,350 kWh, export 2,322 kWh</b>				<b>Import 7,350 kWh, export 5,482 kWh</b>				<b>Import 7,350 kWh, export 11,097 kWh</b>			
	Elysian Energy	Elysian Market Residential Super Simple Plan (QEX)	1	1,316	Alinta Energy	Priority Plus - Single Rate & Solar	11	1,095	Momentum Energy	Solar Step-Up	13.5	455
	Mojo Power	All Day Breakfast	5.5	1,324	Mojo Power	All Day Breakfast	5.5	1,150	Alinta Energy	Priority Plus - Single Rate & Solar	11	478
	Mojo Power	All Day Breakfast	5.5	1,332	Mojo Power	All Day Breakfast	5.5	1,159	AGL	Residential Solar Savers	15	533

Note: The QCA analysis provides only one plan per retailer. However, there could be multiple plans by a retailer with the same bill value.

Sources: Energy Made Easy; QCA analysis.

**Table 11 Net annual bill ranking for residential flat rate with controlled load super economy plans, June quarter 2021**

	<i>Low export ratio</i>				<i>Medium export ratio</i>				<i>High export ratio</i>			
	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>
<i>Small imports</i>	<b>Import 3,546 kWh, export 737 kWh</b>				<b>Import 3,546 kWh, export 1,607 kWh</b>				<b>Import 3,546 kWh, export 3,095 kWh</b>			
	Mojo Power	All Day Breakfast	5.5	751	Mojo Power	All Day Breakfast	5.5	703	Simply Energy	QLD Simply VPP 16% off	10	594
	Elysian Energy	Elysian Market Residential & CL Super Simple Plan (QEX)	1	767	AGL	Residential Essentials Plus (Westpac Customers)	6	723	Mojo Power	All Day Breakfast	5.5	621
	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)	3	774	Momentum Energy	Flexi Geelong Cats	7	737	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	633
<i>Typical imports</i>	<b>Import 5,705 kWh, export 1,186 kWh</b>				<b>Import 5,705 kWh, export 2,585 kWh</b>				<b>Import 5,705 kWh, export 4,981 kWh</b>			
	Mojo Power	All Day Breakfast	5.5	1,067	Mojo Power	All Day Breakfast	5.5	990	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	782
	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)- Energex	3	1,080	Momentum Energy	Flexi Geelong Cats	7	1,008	Simply Energy	QLD Simply VPP 16% off	10	813
	Elysian Energy	Elysian Market Residential & CL Super Simple Plan (QEX)	1	1,083	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)- Energex	3	1,038	Momentum Energy	Solar Step-Up	13.5	826
<i>Large imports</i>	<b>Import 8,557 kWh, export 1,778 kWh</b>				<b>Import 8,557 kWh, export 3,878 kWh</b>				<b>Import 8,577 kWh, export 7,470 kWh</b>			
	Mojo Power	All Day Breakfast	5.5	1,491	Mojo Power	All Day Breakfast	5.5	1,375	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	990
	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)	3	1,492	Momentum Energy	Flexi Geelong Cats	7	1,384	Momentum Energy	Solar Step-Up	13.5	1,074
	Elysian Energy	Elysian Market Residential & CL Super Simple Plan (QEX)	1	1,500	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	1,386	Alinta Energy	HomeDeal - SR with CL1 and Solar	11	1,079

Note: The QCA analysis provides only one plan per retailer. However, there could be multiple plans by a retailer with the same bill value.

Sources: Energy Made Easy; QCA analysis.

**Table 12 Net annual bill ranking for customers with residential flat rate with controlled load economy plans, June quarter 2021**

	Low export ratio				Medium export ratio				High export ratio			
	Retailer	Plan name	FIT (c)	Bill (\$)	Retailer	Plan name	FIT (c)	Bill (\$)	Retailer	Plan name	FIT (c)	Bill (\$)
<b>Small imports</b>	<b>Import 3,268 kWh, export 638 kWh</b>				<b>Import 3,268 kWh, export 1,455 kWh</b>				<b>Import 3,268 kWh, export 2,863 kWh</b>			
	Mojo Power	All Day Breakfast	5.5	726	Mojo Power	All Day Breakfast	5.5	703	Simply Energy	QLD Simply VPP 16% off	10	594
	Elysian Energy	Elysian Market Residential & CL Super Simple Plan (QEX)	1	726	AGL	Residential Essentials Plus (Westpac Customers)	6	723	Mojo Power	All Day Breakfast	5.5	621
	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)	3	742	Momentum Energy	Flexi Geelong Cats	7	737	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	633
<b>Typical imports</b>	<b>Import 5,650 kWh, export 1,102 kWh</b>				<b>Import 5,650 kWh, export 2,516 kWh</b>				<b>Import 5,650 kWh, export 4,950 kWh</b>			
	Elysian Energy	Elysian Market Residential & CL Super Simple Plan (QEX)	1	1,075	Mojo Power	All Day Breakfast	5.5	990	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	782
	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)	3	1,077	Momentum Energy	Flexi Geelong Cats	7	1,008	Simply Energy	QLD Simply VPP 16% off	10	813
	Mojo Power	All Day Breakfast	5.5	1,085	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)	3	1,038	Momentum Energy	Solar Step-Up	13.5	826
<b>Large imports</b>	<b>Import 8,762 kWh, export 1,709 kWh</b>				<b>Import 8,762 kWh, export 3,901 kWh</b>				<b>Import 8,762 kWh, export 7,676 kWh</b>			
	GloBird Energy	EASYSAVE Residential (Flat Rate CTL Load)	3	1,523	Mojo Power	All Day Breakfast	5.5	1,375	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	990
	Elysian Energy	Elysian Market Residential & CL Super Simple Plan (QEX)	1	1,531	Momentum Energy	Flexi Geelong Cats	7	1,384	Momentum Energy	Solar Step-Up	13.5	1,074
	GloBird Energy	GLOSAVE Residential (Flat Rate CTL Load)	3	1,541	Alinta Energy	Priority Plus - Single Rate + CL1 & Solar	11	1,386	Alinta Energy	HomeDeal - SR with CL1 and Solar	11	1,079

Note: The QCA analysis provides only one plan per retailer. However, there could be multiple plans by a retailer with the same bill value.

Sources: Energy Made Easy; QCA analysis.



**Table 13 Net annual bill ranking for small business flat rate plans, June quarter 2021**

	<i>Low export ratio</i>				<i>Medium export ratio</i>					<i>High export ratio</i>				
	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>Bill (\$)</i>	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>FIT 2 (c)</i>	<i>Bill (\$)</i>	<i>Retailer</i>	<i>Plan name</i>	<i>FIT (c)</i>	<i>FIT 2 (c)</i>	<i>Bill (\$)</i>
<i>Small imports</i>	<b>Import 3,552 kWh, export 395 kWh</b>				<b>Import 3,552 kWh, export 1,966 kWh</b>					<b>Import 3,552 kWh, export 6,433 kWh</b>				
	Blue NRG	Blue Business Switch SR 8500	8	966	Blue NRG	Blue Business Switch SR 8500	8	0	840	Origin Energy	Origin Business Solar Boost	19	6	382
	Blue NRG	Blue Business Expert SR 8500	8	1,016	Blue NRG	Blue Business Expert SR 8500	8	0	890	Blue NRG	Blue Business Switch SR 8500	8	0	483
	Momentum Energy	Flexi Geelong Cats_8500	7	1,036	Blue NRG	Blue Business Switch SR 8470	8	0	915	Energy Locals	Business Member - Anytime	16	8.5	484
<i>Typical imports</i>	<b>Import 8,955 kWh, export 995 kWh</b>				<b>Import 8,955 kWh, export 4,957 kWh</b>					<b>Import 8,955 kWh, export 16,217 kWh</b>				
	Momentum Energy	Flexi Geelong Cats_8500	7	1,979	Blue NRG	Blue Business Switch SR 8500	8	0	1,675	Alinta Energy	BusinessDeal - SR and Solar	11	0	574
	Blue NRG	Blue Business Switch SR 8500	8	1,992	Energy Locals	Business Member - Anytime	16	8.5	1,690	CovaU	Freedom Plus Solar-Business Energex Single	11	0	603
	Blue NRG	Blue Saver QLD (General Usage - 8500)	8	2,028	Momentum Energy	Flexi Geelong Cats_8500	7	0	1,702	Simply Energy	QLD Business Saver Elec 18% Discount	10	0	702
<i>Large imports</i>	<b>Import 28,519 kWh, export 2,701 kWh</b>				<b>Import 28,519 kWh, export 15,786 kWh</b>					<b>Import 28,519 kWh, export 51,646 kWh</b>				
	Blue NRG	Blue Saver QLD (General Usage - 8500)	8	4,688	Blue NRG	Blue Saver QLD (General Usage - 8500)	8	0	3,679	Alinta Energy	Priority Business - SR (Interval) and Solar	11	0	795
	Momentum Energy	Flexi Geelong Cats_8500	7	5,395	Momentum Energy	Flexi Geelong Cats_8500	7	0	4,512	Alinta Energy	BusinessDeal - SR and Solar	11	0	807
	Momentum Energy	Self Serve Electricity_8500	7	5,470	Momentum Energy	Self Serve Electricity_8500	7	0	4,587	Blue NRG	Blue Saver QLD (General Usage - 8500)	8	0	810

Note: The QCA analysis provides only one plan per retailer. However, there could be multiple plans by a retailer with the same bill value.

Sources: Energy Made Easy; QCA analysis.

### 3.5 Incentives

Some retailers attached financial incentives to their plans, which lowered our calculated bills. However, such financial incentives are generally once-off or for a set period of time. Customers should note that even if they maintain the same import/export ratio, they will receive a higher bill once those incentives no longer apply. As such, it is important for customers to carefully consider the length of the contract period when signing up for a plan with an incentive, as the real value of that incentive is spread over the term of the contract.

### 3.6 Presentation of solar plans on Energy Made Easy

The AER's retail pricing information guidelines require retailers to specify information on additional solar (and other) options that a customer may select, and that if an additional option changes any element of the rest of the plan, a separate plan must be created.<sup>28</sup> Our interpretation of these requirements is that retailers should be publishing separate solar and non-solar plans, given that, at a minimum, recurring solar metering charges should be included in solar plans.

Based on our analysis of retailers' plans on Energy Made Easy in 2020–21, we note that retailers are still not applying a common approach, with some retailers charging separate fees while others apply higher daily supply charges to solar customers.<sup>29</sup> We remain of the view that it would help consumers to compare plans on Energy Made Easy if all retailers published separate solar and non-solar plans and added any applicable solar metering charges to the daily supply charges on such plans.

We also consider that this approach would:

- reduce the likelihood of non-solar customers covering part of the cost of solar customers' solar metering charges, thereby improving the cost-reflectivity of prices on plans
- ensure that plans where the solar metering charge is added to the daily supply charge are not presented on Energy Made Easy as being more expensive than other plans where solar metering charges are not included in the supply charge, but are levied as a separate fee by the retailer
- be consistent with the Australian Competition and Consumer Commission (ACCC's) requirement under the Electricity Retail Code that recurring metering charges be included in the unconditional price of offers.<sup>30</sup>

### 3.7 GST status of solar feed-in tariffs

The AER's retail pricing information guidelines require retailers to provide details of how GST is applied to solar feed-in tariffs on their plans on Energy Made Easy.<sup>31</sup> The retail plan data on Energy Made Easy for 2020–21 shows that many (but not all) retailers complied with this requirement.<sup>32</sup>

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<sup>28</sup> AER, *Retail Pricing Information Guidelines* [version 5], 2018, p 12 (clauses 54–59).

<sup>29</sup> For example, Origin Energy and AGL recovered any applicable solar metering charges separately, while Alinta Energy appeared to recover any such fees through a higher daily supply charge for solar customers.

<sup>30</sup> ACCC, *Guide to the Electricity Retail Code*, 2021, p 5. Recurring fees are included in the definition of 'price' in the guide to the code (p v).

<sup>31</sup> AER, *Retail Pricing Information Guidelines* [version 5], 2018, p 12 (clause 58).

<sup>32</sup> In some instances, there may be GST implications where a customer supplies solar generated electricity to an electricity retailer. For more information, see the Australian Taxation Office, *Electricity and Gas Partnerships—issues register*, ATO website, n.d., viewed 10 October 2021.

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## GLOSSARY

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1st Energy	1st Energy Pty Ltd
ACCC	Australian Competition and Consumer Commission
AER	Australian Energy Regulator
AGL	AGL Sales Pty Ltd
Alinta Energy	Alinta Energy Retail Sales Pty Ltd
Amaysim Energy	amaysim Energy Pty Ltd
Amber Electric	Amber Electric Pty Ltd
Blue NRG	Blue NRG Pty Ltd
Bright Spark Power	Bright Spark Power Pty Ltd
Click Energy	Click Energy Pty Ltd
CovaU	CovaU Pty Ltd
DC Power	DCP Company Limited
Diamond Energy	Diamond Energy Pty Ltd
Discover Energy	Discover Energy Pty Ltd
DMO	Default market offer
Dodo Power & Gas	Dodo Power & Gas (M2 Energy Pty Ltd)
Electricity in a Box	Electricity in a Box Pty Ltd
Elysian Energy	Elysian Energy Pty Ltd
EnergyAustralia	EnergyAustralia Pty Ltd
Energy Locals	Energy Locals Pty Ltd
Enova Energy	Enova Energy Pty Ltd
ERM Power	ERM Power Limited
ESC	Essential Services Commission (Victoria)
ESCOSA	Essential Services Commission of South Australia
FIT	feed-in tariff
Future X Power	Future X Group Pty Ltd
GloBird Energy	GloBird Energy Pty Ltd
Glow Power	Glow Power (Energy Services Management Pty Ltd)
GST	Goods and Services Tax
IPART	Independent Pricing and Regulatory Tribunal (NSW)
Kogan Energy	Kogan Australia Pty Ltd
kWh	kilowatt hours
Locality Planning Energy	Locality Planning Energy Pty Ltd
Lumo Energy	Lumo Energy Pty Ltd

Mojo Power	Mojo Power Pty Ltd
Momentum Energy	Momentum Energy Pty Ltd
Nectr	Nectr Distributed Energy Pty Ltd
NEM	National Electricity Market
Next Business Energy	Next Business Energy Pty Ltd
NSW	New South Wales
Origin Energy	Origin Energy Pty Ltd
Ovo Energy	OVO Energy Pty Ltd
People Energy	People Energy Pty Ltd
Powerclub	Power Club Limited
Powerdirect	Powerdirect Pty Ltd
Powershop	Powershop Australia Pty Ltd
PV	(solar) Photovoltaic
QCA	Queensland Competition Authority
QEnergy	QEnergy Limited
QPC	Queensland Productivity Commission
Radian Energy	Radian Holdings Pty Ltd
ReAmped Energy	ReAmped Energy Pty Ltd
Red Energy	Red Energy Pty Ltd
SEQ	south east Queensland
Simply Energy	Simply Energy Pty Ltd
Social Energy	Social Energy Australia Pty Ltd
Sumo Power	Sumo Power Pty Ltd

## APPENDIX A: BILL CALCULATIONS

In accordance with the terms of reference, this report is based on plan data as published on the AER's Energy Made Easy website. In calculating annual bills, we included the following elements:

- fixed supply charges
- variable usage charges
- one-off sign-up bonuses / financial incentives
- guaranteed and conditional discounts
- annual membership fees
- solar metering charges
- fees to access wholesale prices
- feed-in tariff amounts (for section 3.2 only).

We did not add additional charges to bills for features offered by retailers that incur an additional charge (e.g. GreenPower), or fees and charges that did not apply to all customers (e.g. credit card payment fees and paper bill fees).

The table below shows how these elements were used in calculating market offer bills and net bill position for solar customers.

**Table 14 Annual market offer bill and net bill position formulae**

<b>Annual bill</b>									
Supply costs (retailer daily supply charge x 365.25) <sup>a</sup>	+	Cost of electricity imported (retailer's variable usage x annual consumption level)	+	Membership fees and/or fees to access wholesale prices	-	One-off sign up bonuses, guaranteed and conditional discounts	+	GST <sup>b</sup>	
<b>Net overall annual bill position</b>									
Supply costs (retailer daily supply charge + metering charges x 365.25) <sup>a</sup>	+	Cost of electricity imported (retailer's variable usage charge x annual consumption level)	+	Membership fees and/or fees to access wholesale prices	-	One-off sign up bonuses, guaranteed and conditional discounts	+	GST <sup>b</sup>	- Revenue from solar exports (annual consumption level x export ratio x retailer FiT)

*a Includes metering fees which retailers identify as being charge separately (if any).*

*b While revenue from solar FIT payments may attract GST for some customers, we understand this does not appear on electricity bills.*

For plans with two feed-in tariffs, the revenue from solar exports has been calculated by applying the first feed-in tariff to the specified export threshold (daily or annual kWh) and the second feed-in tariff applied to exports above that export threshold.

## APPENDIX B: SINGLE FEED-IN TARIFFS BY RETAILER AND QUARTER

**Table 15 Residential single feed-in tariffs by quarter, 2020–21 (c/kWh)**

<i>Retailer</i>	<i>September</i>	<i>December</i>	<i>March</i>	<i>June</i>
1st Energy	6	6–11	6–11	6–11
AGL	8–17	8–15	8–15	6–15
Alinta Energy	11	11	11	11
Amaysim Energy	8–10	8–10	—	—
Amber Electric	8	—	—	—
Bright Spark Power	—	6–8	6–8	6–8
Click Energy	8–12	8–12	8–12	—
CovaU	11	11	11	11
Diamond Energy	12	10.2	10.2	10.2
Discover Energy	6–11.5	6–11.5	6–11.5	6
Dodo Power & Gas	8.5	8.5	8.5	8.5
Electricity in a Box	—	4	4	4
Elysian Energy	7.863	1–7.863	1–7.863	1–7.863
Energy Locals	8.5–10	8.5–10	8.5	8.5–10
EnergyAustralia	11.5–18	11.5–18	8.5	8.5
Future X Power	4–7	4	4	4
GloBird Energy	3	3	3	3
Glow Power	7	7	7	7
Kogan Energy	3.84	3.84	3.84	2.88–3.84
Locality Planning Energy	5.5–10	5.5	5.5	5.5
Mojo Power	5.5–10	5.5–10	5.5–10	5.5
Momentum Energy	—	7–13.5	7–13.5	7–13.5
Nectr	—	6	6	6
Origin Energy	6–11	6–14	6–14	6–14
Ovo Energy	8	8	8	8
Powerclub	7.86–8.5	7.86	7.86	7.86
Powerdirect	8–8.6	8	6–8	6
Powershop	6	6	6	3.5–6
QEnergy	5.5–8	8	8	—
Radian Energy	—	—	—	6
ReAmped Energy	3–8	3–7	3–7	3–7
Red Energy	6	6	6	6
Simply Energy	10	10	10	10
Social Energy	—	8.3	8.3	8.3
Sumo Power	6	6	6	6
<b>Highest</b>	<b>18.0</b>	<b>18.0</b>	<b>15.0</b>	<b>15.0</b>
<b>Average<sup>33</sup></b>	<b>7.7</b>	<b>7.4</b>	<b>7.1</b>	<b>6.8</b>
<b>Lowest</b>	<b>3.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

Notes: A dash (—) means the retailer did not attach a feed-in tariff to its offer(s) in the SEQ market or did not have any plans in the market. We excluded the following plans from our analysis on the basis that their special terms and conditions distinguished them from generally available offers:

- a AGL's Electric Vehicle Plan and Red Energy's Red EV Saver plan, which required customers to be the owner of an electric vehicle
- b Origin Energy's Solar Boost Plus plans, which required customers to purchase a solar PV system through Origin Energy
- c Powerclub's solar plans, which required customers to have a battery system (or one being installed in the immediate future)

<sup>33</sup> To calculate the market average FiT, we first calculated the simple average of FiTs on each retailer's portfolio of offers (excluding offers with no FiT attached), and then calculated the simple average of all of the retailers' averaged FiT. This approach removes any weighting effect that retailers with a relatively large share of plans with FiTs in the market would have on the market average.

- d Energy Locals sonnen plans and Social Energy's Better together plans, which required customers have a particular battery*
  - f Energy Locals's Bradford ActivPlan plans and Simply Energy's QLD Simply Energy Solar Elec plans, which required customers to purchase a solar PV system from a particular retailer*
  - g Locality Planning Energy's Shared Solar Electricity plans, which provided customers with a guaranteed fixed daily solar credit if the address was supplied by a Locality Planning Energy solar PV system*
  - h Globird's Glosaver plans, which required customers to have a solar PV system and battery*
- Sources: Energy Made Easy; QCA analysis.

**Table 16 Small business single feed-in tariffs by quarter, 2020–21 (c/kWh)**

<i>Retailer</i>	<i>September</i>	<i>December</i>	<i>March</i>	<i>June</i>
1st Energy	6	6	6	6
AGL	8–8.6	8	8	6–8
Alinta Energy	11	11	11	11
Amaysim Energy	8	8	—	—
Blue NRG	8	8	8	8
Bright Spark Power	—	6	6	6
Click Energy	8	8	8	—
CovaU	11	11	11	11
Diamond Energy	12	10.2	10.2	10.2
Discover Energy	6–11.5	6–11.5	6–11.5	6
Electricity in a Box	—	4	4	4
Elysian Energy	7.863	7.863	7.863	7.863
Energy Locals	8.67–10	—	9.9	9.9–10
EnergyAustralia	12.65	12.65	9.35	9.35
Enova Energy	—	—	6	6
ERM Power	—	8	8	—
Future X Power	4–7	4	4	4
Glow Power	7	7	7	7
Locality Planning Energy	5.5–10	5.5	5.5	5.5
Momentum Energy	—	7–13.5	7–13.5	7
Next Business Energy	10	10	10	7–10
Origin Energy	6	6	6	6
Powerclub	7.86–8.5	7.86	7.86	7.86
Powerdirect	8–8.6	8	6–8	6
Powershop	6	6	6	3.5–6
QEnergy	5.5–8	8	8	5.5
Radian Energy	—	—	—	6
ReAmped Energy	5	5	5	5
Red Energy	6	6	6	6
Shell Energy	—	—	8	8
Simply Energy	10	10	10	10
Sumo Power	6	6	6	6
<b>Highest</b>	<b>12.65</b>	<b>13.5</b>	<b>13.5</b>	<b>11</b>
<b>Average<sup>34</sup></b>	<b>8.1</b>	<b>7.6</b>	<b>7.5</b>	<b>7.1</b>
<b>Lowest</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3.5</b>

Notes: A dash (—) means the retailer did not attach a feed-in tariff to its offer(s) in the SEQ market, or did not have any plans in the market. We excluded the following plans from our analysis on the basis that their special terms and conditions distinguished them from generally available plans:

- a AGL's Electric Vehicle Plan and Red Energy's Red EV Saver plan, which required customers to be the owner of an electric vehicle
- b Origin Energy's Solar Boost Plus plans, which required customers to purchase a solar PV system through Origin Energy
- c Powerclub's solar plans, which required customers to have a battery system (or one being installed in the immediate future)
- d Energy Locals sonnen plans and Social Energy's Better together plans, which required customers have a particular battery
- e Energy Locals's Bradford ActivPlan plans and Simply Energy's QLD Simply Energy Solar Elec plans, which required customers to purchase a solar PV system from a particular retailer
- f Locality Planning Energy's Shared Solar Electricity plans, which provided customers with a guaranteed fixed daily solar credit if the address was supplied by a Locality Planning Energy solar PV system
- g GloBird's Glasaver plans, which required customers to have a solar PV system and battery

Sources: Energy Made Easy; QCA analysis.

<sup>34</sup> To calculate the market average FiT, we first calculated the simple average of FiTs on each retailer's portfolio of offers (excluding offers with no FiT attached), and then calculated the simple average of all of the retailers' averaged FiT. This approach removes any weighting effect that retailers with a relatively large share of plans with FiTs in the market would have on the market average.



**Table 17 Residential single feed-in tariffs, June quarter of 2016–17 to 2020–21 (c/kWh)**

<i>Retailer</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>	<i>2019–20</i>	<i>2020–21</i>
1st Energy	—	—	6	6	6–11
AGL	6	10.6–20	10.6–20	8.6–17	6–15
Alinta Energy	—	11	11	11	11
Amaysim Energy	—	14	14	8–14	—
Amber Electric	—	—	—	8	—
Bright Spark Power	—	—	—	—	6–8
Click Energy	6–11	8–16	8–16	8–12	—
CovaU	—	—	—	11	11
DC Power	—	—	15	—	—
Diamond Energy	8	12	12	12	10.2
Discover Energy	—	—	—	6–11.5	6
Dodo Power & Gas	4–6.5	8.5	8.5	8.5	8.5
Electricity in a Box					4
Elysian Energy	—	—	—	7.86	1–7.863
Energy Locals	10	10–12.1	9–16	10	8.5–10
EnergyAustralia	6	11–16.1	16.1	11.5–18	8.5
Future X Power	—	—	7	7	4
GloBird Energy	—	—	—	3	3
Glow Power	—	—	—	—	7
Kogan Energy	—	—	—	5.89	2.88–3.84
Locality Planning Energy	—	—	10	10	5.5
Lumo Energy	6	6	6	—	—
Mojo Power	7.3	9	9	5.5	5.5
Momentum Energy	—	—	—	—	7–13.5
Nectr	—	—	—	—	6
Origin Energy	6–10	7	7–17	7	6–14
Ovo Energy	—	—	—	8	8
Powerclub	—	—	9.5	8.5	7.86
Powerdirect	6–8	10.6	10.6	8.6	6
Powershop	8.2	12.2	9.5	9.5	3.5–6
QEnergy	—	8	8	8	—
Radian Energy	—	—	—	—	6
ReAmped Energy	—	—	8	5–8	3–7
Red Energy	6	6–11.5	6	6	6
Simply Energy	6.2	11.3	10	10	10
Social Energy	—	—	—	—	8.3
Sumo Power	—	—	—	—	6
<b>Highest</b>	<b>11</b>	<b>20</b>	<b>20</b>	<b>18</b>	<b>15</b>
<b>Average<sup>35</sup></b>	<b>6.7</b>	<b>10.5</b>	<b>9.9</b>	<b>8.5</b>	<b>6.8</b>
<b>Lowest</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>1</b>
<i>Number of retailers with a feed-in tariff</i>	<i>13</i>	<i>16</i>	<i>22</i>	<i>27</i>	<i>31</i>

Notes: A dash (—) means the retailer did not attach a feed-in tariff to its offer(s) in the SEQ market, or did not have any plans in the market.

Sources: Energy Made Easy; QCA analysis.

<sup>35</sup> The averages for 2017–18 and 2018–19 have been updated (from 11 and 10.7 to 10.5 and 9.9 respectively) to exclude Mojo Power and Red Energy's two-part feed-in tariffs.

**Table 18 Small business single feed-in tariffs, June quarter of 2016–17 to 2020–21 (c/kWh)**

<i>Retailer</i>	<i>2016–17</i>	<i>2017–18</i>	<i>2018–19</i>	<i>2019–20</i>	<i>2020–21</i>
1st Energy	—	—	6	6	6
AGL	6	10.6	10.6–20	8.6	6–8
Alinta Energy	—	11	11	11	11
Amaysim Energy	—	—	10	8–10	—
Blue NRG	—	—	—	8	8
Bright Spark Power	—	—	—	—	6
Click Energy	—	—	10	8	—
CovaU	—	—	—	11	11
Diamond Energy	8	12	12	12	10.2
Discover Energy	—	—	—	6–11.5	6
Electricity in a Box	—	—	—	—	4
Elysian Energy	—	—	—	7.86	7.863
Energy Locals	10	10–12.1	9–10	10	9.9–10
Energy Australia	6	11–16.1	16.1	12.65	9.35
Enova Energy	—	—	—	—	4
ERM Power	8	8	—	—	—
Future X Power	—	—	7	7	4
Glow Power	—	—	—	—	7
Locality Planning Energy	—	—	—	10	5.5
Lumo Energy	6	6–11.5	6	—	—
Momentum Energy	—	—	—	—	7
Next Business Energy	—	—	10	10	7–10
Origin Energy	6	7	7–18	7	6
Powerclub	—	—	9.5	8.5	7.86
Powerdirect	6–8	10.6	10.6	8.6	6
Powershop	8.2	12.2	9.5	9.5	3.5–6
QEnergy	—	8	8	8	5.5
Radian Energy	—	—	—	—	6
ReAmped Energy	—	—	—	5–8	5
Red Energy	6	6–11.5	6	6	6
Shell Energy	—	—	—	—	8
Simply Energy	6.2	11.3	10	10	10
Sumo Energy	—	—	—	—	6
<b>Highest</b>	<b>10</b>	<b>16.1</b>	<b>20</b>	<b>12.65</b>	<b>11</b>
<b>Average</b> <sup>36</sup>	<b>6.7</b>	<b>10.2</b>	<b>9.5</b>	<b>8.8</b>	<b>7.1</b>
<b>Lowest</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>3.5</b>
<i>Number of retailers with a feed-in tariff</i>	<i>11</i>	<i>13</i>	<i>18</i>	<i>23</i>	<i>29</i>

Notes: A dash (—) means the retailer did not attach a feed-in tariff to its offer(s) in the SEQ market, or did not have any plans in the market.

Sources: Energy Made Easy; QCA analysis.

<sup>36</sup> The average for 2018–19 has been updated (from 10 to 9.5) to exclude Red Energy's two-part feed-in tariffs.

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## APPENDIX C: SUPPLEMENTARY DATA

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Appendix C is available for download from our [website](#). It includes tables showing:

- the residential and small business flat rate feed-in tariffs in each quarter of the five years to 2020–21
- the lowest and highest bills for the residential and small business tariffs/tariff combinations, excluding solar feed-in tariff credits, for the first three quarters of 2020–21.