

FAQs: Distributed Energy Buyback Scheme

Making the most of our sunshine for a brighter energy future

These FAQs are designed to help customers with renewable or distributed energy systems (e.g. solar PV or a home battery) understand what the Distributed Energy Buyback Scheme (DEBS) means for them.

Key topics include:

What is debs?
New customers
Existing rebs customers
Customers moving house
Existing home battery and/or electric vehicles (EV) owners
Existing feed-in tariff (fit) customers
Quick reference and contact information

WHAT IS DEBS?

- The Distributed Energy Buyback Scheme (DEBS) provides buyback payments for eligible solar PV, home batteries and electric vehicles to support the uptake of these new technologies.
- DEBS applies to eligible households, schools and not-for-profit organisations installing new solar panels orbatteries, or upgrading their existing solar panel system.
- DEBS provides time of export payments for energy exported from a renewable energy system.
 For the most up to date DEBS rates, please visit <u>Energy Buyback Schemes</u>
- The electricity system is changing. Western Australia has some of the best renewable energy
 resources in the world and we are in a prime position to take advantage of the clean and affordable
 energy that rooftop solar provides. We also want to harness the benefits of new technological
 developments such as batteries and electric vehicles.
- The pricing structure encourages households to:
 - maximise the use of solar energy when it is plentiful, which will not only benefit those households but will also help maintain grid stability; and
 - install west facing panels, producing solar power later in the day so households can use more renewable energy.
- DEBS prices reflect the wholesale cost of energy, as customers will be paid more for electricity exported when the wholesale cost of electricity is high and less when it is low.

DEBS FAQs: A guide for customers

Who is eligible for DEBS?

- DEBS is available to households, schools, educational institutions and not-for-profit organisations in WA who:
 - Are looking to install a new eligible distributed energy system such as solar PV, a battery or electric vehicle:
 - Are looking to upgrade their existing solar PV, including adding a home battery to an existing renewable energy system;
 - o Are moving into a property with an existing renewable or distributed energy system; or
 - Are an existing <u>Renewable Energy Buyback Scheme (REBS)</u> customer who want to switch to DEBS.
- To be eligible, a renewable energy system must have generating capacity of 5kW or less. A solar PV system with total solar panel capacity of up to 6.6kW and an inverter capacity of up to 5kVa is deemed eligible. There is no eligibility limit in relation to home battery or electric vehicle battery size, but all renewable energy systems and batteries must meet the technical requirements for connection to the grid before DEBS is payable.
- The DEBS buyback rate only applies to the first 50 units exported from a customer per day per premises, which is more than what a 5kW solar PV system generates, even in ideal conditions.
- Customers currently receiving REBS remain on REBS unless they upgrade their solar PV system, install a battery or choose to switch to DEBS.

NEW CUSTOMERS

If I sign up as a DEBS customer, how much will I be paid for exporting back into grid now and in the future?

- Customers will be paid more for exporting energy at peak times when it's needed the most.
 To view the most up to date DEBS rates, please visit Energy Buyback Schemes
- The DEBS rate is reviewed and adjusted each year, just like other electricity prices.

What can I do to maximise the return on investment of my solar under the DEBS scheme?

There are many things you can do to increase the return on investment of your solar system.

Self-consume solar PV generation:

- Under both REBS and DEBS, the main financial benefit you will receive from your solar PV system comes from using the electricity you generate, not from exporting it.
- You should consider what size system is best for you to maximise self-consumption of your solar energy.

If you have solar panels with no battery, shifting your electricity use to the middle of the day will help you maximise financial benefit – for example, by setting a timer for your washing machine or dishwasher to come on at lunchtime you can utilise the energy your solar panels are producing at that time.

Solar panel type and installation:

If you are considering installing or upgrading a solar system, you can maximise your benefits by considering the following factors:

- **Direction:** Orientation of your panels plays a key role, as solar panels are most effective when they directly face the sun. Depending on your consumption pattern, your roof space, and other factors such as roof shading, your optimal orientation may vary between east, north, west or a combination of up to two directions. Since west-facing solar PV panels will tend to generate more energy later in the afternoon compared to north- or east-facing panels, DEBS increases the financial incentive to install west-facing panels.
- **Shading:** Any shade from trees, antennae, chimneys or similar on your solar panels can greatly reduce the amount of energy your panels produce. Shading on just one of the cells in a solar panel can cause loss of output from your whole solar system.
- Capacity and size: The size of your panels and the inverter capacity will determine how much solar power your system can produce. Under both REBS and DEBS, a solar PV system with total solar panel capacity of up to 6.6kW and an inverter capacity of up to 5kVa is deemed eligible to receive the buyback rate. However, a smaller size system may better suit your energy consumption profile and offer a better payback period.

Why don't you pay me the same rate as you charge me for power?

- The wholesale cost of electricity (the price Synergy pay for electricity to supply homes and businesses) fluctuates daily according to supply and demand. Prices are typically low during the day and higher during the evening peak, with 2020/21 prices averaging 2.2c and 4.7c for daytime and evening rates respectively. This is lower than the DEBS rate.
- The wholesale cost of electricity makes up only a small portion of the total cost to supply electricity
 to homes and businesses, with remainder of cost (about 80%) made up of network costs (building
 and maintaining poles and wires), capacity costs (maintaining enough generators to meet peak
 demand) and other costs such as those associated with renewable schemes and retailing activities.
 These costs contribute to the reliability of the grid, so that power is available whenever you need
 it.
- When Synergy and Horizon Power purchase electricity from their customers, they receive electricity only, and none of the other services such as network, capacity and retail services that are needed to supply electricity to another home. Therefore, the DEBS rate does not reflect the total cost to supply electricity to small-use customers it's closer to the wholesale electricity cost at time of export and so it is significantly lower than the price you pay to buy electricity. If DEBS rates were higher, or if customers were able to receive the same amount of free energy imports in the evening as they export during the day, then it would increase electricity costs for everyone.

Why are the buyback rates different at different times when the price I pay to use energy is the same at all times?

- DEBS pays more when the wholesale cost of electricity is high (in the evening peak) and less when
 the wholesale cost of energy is low (during the middle of the day). This will help us make the most
 of our solar by encouraging people to use or store it in the middle of the day and install west-facing
 panels to produce more electricity later in the day.
- This is one of a range of measures the Government is working on to make our energy system ready
 for a renewables dominant future where distributed energy resources are a central component of
 the power system which all customers will benefit from.

EXISTING REBS CUSTOMERS

I already receive REBS. Is there anything I need to do?

- Customers currently receiving REBS will continue to receive REBS unless you make an upgrade to your system as detailed below.
- While you are not required to do anything, it is worth remembering that you get the best value from your system when you use electricity during the day rather than exporting it.
- If you make upgrades to your solar PV system, such as increasing your inverter size, or if you
 install a battery or an export-capable electric vehicle, REBS will no longer be available to you. You
 will receive DEBS instead.
- If you are receiving REBS but would like to receive DEBS, you may nominate to transfer to DEBS.
 Some metering costs may apply if you are a Synergy customer. To find out more and apply for DEBS you can go to:
 - o For Synergy customers: www.synergy.net.au/DEBS or 13 13 53
 - For Horizon Power customers: www.horizonpower.com.au/DER or 1800 267 92

I am considering upgrading my existing solar PV system by either increasing the size of my system or adding a home battery. What do I have to do?

- If you upgrade your system, or install a home battery, you will begin to receive DEBS instead of REBS provided you meet the eligibility criteria under DEBS. REBS will no longer be available to you.
 - o If you are a Synergy customer, you or your installer will notify Synergy of the upgrade and you will then receive notification that you have been moved onto DEBS. Synergy will notify you if any metering fees or administration fees will apply.
 - If you are a Horizon Power customer, your installer will notify Horizon Power of the upgrade and you will receive notification that you have been moved onto DEBS.
- You can make the most of DEBS by installing west-facing panels and shifting consumption to the middle of the day.

Will DEBS pay me for exporting from my battery system?

 Yes. Batteries are permitted to export power to the network. However, most people will set up their system so that the energy from their battery is self-consumed during the evening peak and only excess PV energy (which is not self-consumed or used for battery charging) is exported to the grid.

If I go on holidays and I am not using any power can I change my battery settings to export battery power between 3-9pm?

 Yes. However, you will need to contact your battery technician to make changes to your inverter's settings.

My inverter needs replacing. Will I continue to receive REBS or will I be automatically put onto DEBS? What do I need to do?

- If your replacement inverter is the same size as your current inverter (or smaller), then the replacement is not considered to be an upgrade and you will remain on REBS.
- If your inverter is larger than your current inverter, or if you are increasing the size of your solar system at the same time as replacing your inverter, then the replacement is considered to be an upgrade and you will be moved onto DEBS, provided your replacement inverter is less than or equal to 5-kVa.
 - If you are a Synergy customer, you or your installer will notify Synergy of the change and you will then receive notification that you have been moved onto DEBS. Synergy will notify you if any metering fees or administration fees will apply.
 - If you are a Horizon Power customer, your installer will notify Horizon Power of the upgrade and you will receive notification that you have been moved onto DEBS.
- If you choose to upgrade your solar PV system, consider installing west-facing panels if your roof configuration supports this, as they will tend to generate more energy later in the day when households tend to use more electricity, and when the DEBS buyback rate is higher.

I currently receive REBS but I would prefer to receive DEBS. What can I do?

- You can transfer to DEBS by contacting your retailer. Some metering costs may apply if you are a Synergy customer.
 - o For Synergy customers: www.synergy.net.au/DEBS or 13 13 53
 - o For Horizon Power customers: www.horizonpower.com.au/DER or 1800 267 926

I receive REBS through Horizon Power. How do the DEBS arrangements affect me?

- These DEBS arrangements affect Horizon Power customers in the same way they affect Synergy customers.
- However, if you live in a town with high generation costs (e.g. one that relies on diesel-fired generation) and you switch to DEBS, you will receive a higher buyback rate which does not vary over the course of the day. This is to better reflect the underlying cost to supply (e.g. running diesel generation is expensive at all times of day). For more information on the buyback rate that applies to you, go to www.horizonpower.com.au/DER.

CUSTOMERS MOVING HOUSE

I have recently moved into a new house with an existing solar PV system, and have not yet applied for REBS. What scheme is available to me? What do I need to do?

- Customers moving into a premise with an existing solar PV system can enquire through their retailer to find out if they are eligible for DEBS.
 - o For Synergy customers: www.synergy.net.au/DEBS or 13 13 53
 - o For Horizon Power customers: www.horizonpower.com.au/DER or 1800 267 926

EXISTING HOME BATTERY AND/OR ELECTRIC VEHICLES (EV) OWNERS

I already have a home battery and I would like to start receiving DEBS.

- You can apply to receive DEBS if you comply with other DEBS eligibility criteria. Some metering
 costs may apply if you are a Synergy customer. To find out if you are eligible for DEBS and apply
 for DEBS, you should contact your retailer.
 - o For Synergy customers: www.synergy.net.au/DEBS or 13 13 53
 - o For Horizon Power customers: www.horizonpower.com.au/DER or 1800 267 926

I already have an electric vehicle (EV) and I would like to start receiving DEBS.

- If you have an export capable EV, you can apply to receive DEBS if you comply with other DEBS
 eligibility criteria. To confirm whether your EV is export capable, contact the vehicle manufacturer.
- Depending on the type of meter you have, you may need to pay for a meter change.
- To find out if you are eligible for DEBS and apply for DEBS, you should contact your retailer.
 - o For Synergy customers: www.synergy.net.au/DEBS or 13 13 53
 - o For Horizon Power customers: www.horizonpower.com.au/DER or 1800 267 926

EXISTING FEED-IN TARIFF (FIT) CUSTOMERS

Lam a FiT customer. Does this new scheme affect me?

- No, DEBS does not impact the FiT scheme.
 - After your FiT scheme end date, you will continue to receive REBS, provided you do not make any change to your system such as adding more solar PV panels or installing a battery.
 - If you do make any changes to upgrade your system after the FiT scheme closure, you will
 move onto DEBS rather than REBS (provided your system still meets the eligibility criteria
 under DEBS).
- If you make any change to your system before your FiT scheme end date, then in accordance with the FiT scheme's terms & conditions, you will be ineligible to receive any further FiT payments. For more details, please refer to terms and conditions for FiT on Synergy's website here.

What if I replace my panels as they are too old and inefficient?

- If you choose to replace your old panels or your inverter, you will continue to receive credits for electricity you export back into the grid under either REBS or DEBS.
 - If your new system is equal to or less than your original solar panels capacity or inverter size, you will continue on REBS.
 - If you increase the size of your inverter or your total solar panel capacity (within the eligibility limit of 5kW), you will move onto DEBS.
- If you replace your old panels or your inverter before your FiT scheme end date, then you will no longer receive FiT payments.

What if I install a home battery before the FIT scheme end date?

• If you wish to install a battery or an export-capable electric vehicle before your FiT scheme end date, you will move onto DEBS. This means that you will no longer receive FiT or REBS payments for your exported energy but will receive DEBS payments.

QUICK REFERENCE AND CONTACT INFORMATION

Electricity Retailers

Synergy 13 13 53

Horizon Power 1800 267 926

Terms and Conditions links

DEBS Terms and Conditions

Synergy: <u>www.synergy.net.au/DEBS</u>

Horizon Power: www.horizonpower.com.au/DER

REBS Terms and Conditions

Synergy: <u>www.synergy.net.au/REBS</u>

Horizon Power: <u>www.horizonpower.com.au/DER</u>

Buying and installing solar panels or home batteries

Find an accredited solar installer on the Clean Energy Council's website here

Complaints

Energy and Water Ombudsman Western Australia

1800 754 004

(08) 6551 4600 | info@energy.wa.gov.au

www.energy.wa.gov.au | www.brighterenergyfuture.wa.gov.au

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