
‘Locked out’ of Solar

In the past 10 years, as retail electricity prices across Australia have increased by 60% - 90% above inflation, the average cost of installing a 3kW solar system has dropped by 90%, so it is not surprising that over 1.7 million Australians households have decided to generate their own electricity from solar (photovoltaic) panels installed on the roofs of their houses. Proportional to the population, Australia leads the world in the number of residential solar installations, with 23% of households (and over 40% in some areas of the country) now enjoying lower electricity bills, reduced carbon emissions and greater control over their energy supply.

However, nearly a third of Australians are unable to join this solar revolution simply because they don't own their own roof. These include over 6 million people who rent their home and over 2.4 million people who live in apartments or units.

For renters, the main obstacle is the “split incentive” issue and the challenge is to encourage landlords to invest in solar so their tenants can enjoy clean electricity. Increasing numbers of Owners Corporations are installing solar on their apartment buildings to meet common property energy demands, but for apartment residents, even if they own their apartment, it can be difficult to install a solar system to meet their own needs on roof space that belongs to all the owners in the building, while there are also a number of regulatory barriers to the Owners Corporation installing shared solar systems.

There are solutions emerging that will enable more Australians to share the benefits of solar energy on their homes. These include:

- new electricity retailers who can broker the relationship between landlords and tenants, allowing both parties to share the benefits of a solar system
- embedded networks for distributing solar generation between all the apartments in a building
- community solar gardens (where customers buy a share in a solar farm outside the city and their energy they generate is netted off their electricity bill)
- battery storage allowing residents to store daytime solar generation to use in the evening, increasing the financial benefits of solar installations

However, government has a clear role in framing regulation to encourage greater use of these and other solutions. There are some positive signs, but there is still work to be done. A few examples:

- the inclusion of sustainability provisions in the ACT strata law has helped address the complexity of decision making within strata organisations,
- the proposed removal of the exemption framework for energy makes it harder for Owners meaning that Owner's Corporations to install embedded networks in their buildings; the solution is to retain these exemptions for community or / not-for-profit organisations,
- the AEMC ruling against local energy trading has made it harder for households to sell their excess generation to their neighbours; the solution may be to change the network rules so households only need to pay for the parts of the network they use,
- improved environmental regulations for new houses and apartments could encourage developers to include solar generation on their buildings.

About APVI

The Australian Photovoltaic Institute (APVI) comprises companies, agencies, individuals and academics with an interest in solar energy research, technology, manufacturing, systems, policies, programs and projects.

Our objective is to ***Support the increased development and use of PV via research, analysis and information.***

The APVI prepares Australia's Annual PV in Australia Report and contributes PV related statistics to the International Energy Agency and provides analysis to industry, regulators and government on a range of technical and policy related issues.

A detailed summary of our projects can be sourced at our website www.apvi.org.au some relevant projects and reports include:

- Australian PV System Monitoring Guide;
- Best Practice Guidelines for Local Government Approval of (Solar) PV;
- Interactive Australian PV solar Mapping Resource including PV capacity at a Local Government Area level;
- PV Fault Reporting Website;
- Impacts of PV, AC and other Technologies and Tariffs on Consumer Costs;
- High Penetration of Photovoltaic Systems in Electricity Grids;
- Magnetic Island High Penetration Case Study;
- Carnarvon High Penetration PV Study Report;
- Alice Springs High Penetration PV Study Report
- PV Integration on Australian Distribution Networks: Literature Review

For further information on the Australian PV Association visit: www.apvi.org.au