LED SAVES
ledsaves.org
Email: info@ledsaves.org
Add: 45 Terra Cotta Drive, Nunawading VIC 3131
Tel: 613 9069 9179 / 612 8188 9052

GET A QUICK SOLAR QUOTE

AUSTRALIAN SOLAR INSTALLATION SUBSIDY – HOW TO CALCULATE STCS AND YOUR SOLAR CREDIT

The Solar Credits program is part of Australia’s Renewable Energy Target. Under this initiative, every megawatt hour of qualifying energy generation is eligible for renewable energy certificates (RECs).

These certificates come in two types: large and small. Small-scale technology certificates (STCs) are the ones that apply to residential solar installations.

You might think of an STC as a discount voucher on the cost of installing your solar system. Depending on how big your system is, and where you live, the number of STCs you are eligible for varies and therefore the amount of your rebate varies.

How does the solar credits scheme work?

STCs are issued with qualifying solar power systems and solar panels and can be redeemed for a dollar value that is deducted from the cost of the solar system. The value of an STC at any one time depends on market conditions.

When you purchase a solar power system from Energy Matters, we have already discounted this value for you in your solar quote. That’s because we take over the hassle of registering and selling the STCs on the market from you. We give you a point of sale discount based on your STCs.

On the day of installation, you assign the STCs over to us, then we complete the registration of these certificates with the Renewable Energy Regulator on your behalf and eventually recoup their value. You don’t have to wait for this to happen, we do. You get an immediate deduction in cost.

STC values and ‘zoning’ – How they affect your discount

The amount you get back from the STC scheme is based on three factors:

Zoning (where you live)

STC $$ value (which fluctuates)

The deeming period (which decreases each year)

Zoning
Australia is divided up into various zones based on how much renewable energy can be generated by a solar panel in a given area. It works by postcode.

Once you have your zone, note down the ‘rating’ number:

Zone 1 – 1.622 rating  
Zone 2 – 1.536 rating  
Zone 3 – 1.382 rating  
Zone 4 – 1.185 rating

Here’s how to calculate how many STCs you are eligible for:

Solar system size (kW) x Postcode Zone Rating x Deeming Period (years) = Number of STCs (rounded down).

Not following? Use this handy STC calculator.

Deeming period

The deeming period was set by the scheme and decreases every year until 2030. That’s because the scheme was designed to phase out totally in 2030.

The shorter the deeming period, the fewer STCs you get and the less of a discount you get. In 2018, the deeming period was 13 years. In 2019, it will be 12, etc.

So how much are my STCs actually worth?

Let’s look at an example to see how you arrive at a dollar figure for your discount.

You can calculate how many STCs you are eligible for using the formula provided above or this handy STC calculator. Feed in the date of installation, size of your system and your postcode and it will give you the number of STCs for which you are eligible.

Let’s look at an example:

If you buy a 5 kW system in Melbourne, Victoria in 2019 the calculator will tell you that you are eligible for 71 STCs. You then multiply this by the dollar value of an STC in the market (your solar installer will be able to tell you the current value). This dollar value fluctuates, but at time of writing it’s $36.50* per STC.

71 STCs x $36.50* = $2,591.50

If you live in a different zone and/or have a bigger/smaller system, the amount of subsidy will be different.

* Estimated value only – values fluctuate due to market conditions.

How much will the subsidy reduce in coming years?

Because the scheme is being terminated, the deeming period will reduce each year. The following graph shows the impact of the shortening deeming period on the STCs out to 2030, assuming a 5 kW installation in Melbourne and an STC value of $38 per certificate.
If you’re interested in installing solar power at your home, you can take advantage of the current subsidy levels.

Can I redeem the STCs myself?

While you can claim the value of the STCs yourself, it means you’ll need to pay the full price of the solar power system up front, then register your STCs on the government market exchange and wait in the queue.

However, Energy Matters can offer you a **point of sale discount** if you assign the credits to us because we are a registered STC selling agent. We then take care of the rest, saving you the red tape.

**Solar Credits Scheme FAQ**

The following are some other commonly asked questions and answers regarding the solar credits program.

Is this really a rebate?

The program was previously referred to as the Solar Credits rebate, but in effect it is a subsidy offering up-front discount on the purchase of a solar power system.

Who is the solar panel credits program open to?

Home owners, small businesses and community groups are all eligible for the Australian solar credits program. No one is means-tested and schools are also eligible.

Does it cover remote power systems?

Yes, the solar credits program covers grid connect and off grid solar power systems. Further details about Solar Credits and off-grid solar power systems can be viewed [here](#).

Does it cover energy storage?

You can buy a battery system as part of a solar package and still receive the subsidy, but energy storage does not attract any extra STCs.

Can I install the panels myself to get the full solar credits value?

No. The Office of the Clean Energy Regulator has made it a requirement that only CEC accredited installers can sign off on STCs.

Does the STC program also apply to wind power?

Yes, the same guidelines will apply for wind turbine installations –even for micro-hydro systems!

What about caravans, boats, sheds, motor homes and RVs?

As long as the caravan, boat, shed or RV is your principle place of residence and has an address (such as a caravan park or marina berth), it will be eligible under the solar credits scheme.

Contact us today via our solar quote form for expert, obligation-free advice.