

# Renewable power incentives

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Program name

Small-scale Renewable Energy Scheme

Program URL

[www.cleanenergyregulator.gov.au/RET/About-the-Renewable-Energy-Target/How-the-s...](http://www.cleanenergyregulator.gov.au/RET/About-the-Renewable-Energy-Target/How-the-s...)

## Overview

Households and small businesses across Australia that install a small scale renewable energy system (solar, wind or hydro) or eligible hot water system may be able to receive a benefit under the **Small-scale Renewable Energy Scheme** (SRES) to help with the purchase cost.

Installing an eligible system allows the creation of Small-scale Technology Certificates (STCs) with a value that can be redeemed by selling or assigning them. The number of STCs created is based on:

- the amount of renewable electricity the system produces or the amount of electricity consumption it reduces
- the climate region where it's installed.

## Benefits

- Reduce your electricity bills
- Reduce your greenhouse gas emissions

## Key eligibility

Small-scale renewable systems that may be eligible for certificates include:

- solar photovoltaic (PV) panels
- wind turbines
- hydro systems
- solar water heaters, and
- air source heat pumps.

Owners have 2 options for receiving benefit for their STCs:

1. Assigning them to an agent, usually the system installer, in exchange for a discount or delayed cash payment.
2. Selling the certificates themselves.

There are 2 options for selling the certificates:

1. Through the open STCs market with pricing subject to market forces.
2. Through the STCs Clearing House with the price fixed at \$40 per STC, excluding GST.

## Next steps

Check your eligibility and apply at:

[Clean Energy Regulator](#) website

# Small-scale Renewable Energy Scheme

The Small-scale Renewable Energy Scheme creates a financial incentive for individuals and small businesses to install eligible small-scale renewable energy systems such as solar panel systems, small-scale wind systems, small-scale hydro systems, solar water heaters and air source heat pumps. It does this through the creation of small-scale technology certificates which Renewable Energy Target liable entities have a legal obligation to buy and surrender to the Clean Energy Regulator on a quarterly basis. Small-scale technology certificates are provided 'up front' for the systems' expected power generation over a 15 year period or, from 2017, from the installation year until 2030 when the scheme ends. This renewable electricity replaces electricity generated from non-renewable sources. Generally, householders who purchase these systems assign the right to create their certificates to an agent in return for a lower purchase price. The level of this benefit differs across the country depending on the level of solar energy.

Small-scale technology certificates can be created following the installation of an eligible system, and are calculated based on the amount of electricity a system produces or replaces (that is, electricity from non-renewable sources).

The number of small-scale technology certificates required to be submitted by electricity retailers is set each year by the small-scale technology percentage.

## System eligibility

Under the Small-scale Renewable Energy Scheme, eligible small-scale renewable energy systems may be entitled to small-scale technology certificates, which can be sold to recoup a portion of the cost of purchasing and installing the system.

Small-scale renewable systems which may be eligible for certificates include:

- solar photovoltaic (PV) panels

- wind turbines
- hydro systems
- solar water heaters, and
- air source heat pumps.

Learn more about [systems eligible under the Small-scale Renewable Energy Scheme](#).

<https://www.rec-registry.gov.au/rec-registry/app/calculators/swh-stc-calculator>