Explaining the pending changes to the 44c FiT legislation

The Queensland Government has introduced an Amendment Bill to Queensland Parliament on 15 June 2017, designed to provide clearer rules to householders receiving the 44c Feed-in Tariff (FiT) on how to retain their tariff when integrating batteries or additional panels with their current 44c-eligible systems. Whilst this Bill is yet to be passed, it is likely to be debated in Parliament in late August or early September 2017.

The Government described these changes in their recent media release as an important step towards bringing the laws up to date with evolving technologies that are now available to homeowners, such as battery systems, which were not a consideration when the Solar Bonus Scheme was introduced.

The Amendment Bill and the associated Explanatory Notes can be found on the Queensland Government website. The following information is designed to help you understand the implications of the planned legislation changes since 15 June 2017. The information provided assumes that you have read the Explanatory Notes.

Array upgrades

If an array upgrade on a 44c-eligible system occurs on or after 15 June 2017 and results in the total array capacity exceeding the total inverter capacity, the 44c FiT will be forfeited. The only exemption to this is if a sales contract between the customer and the PV retailer/installer was dated before 15 June 2017 and a copy of that sales contract can be provided to the distributor upon request.

Currently, if our Solar Team receives an application for an array upgrade on a 44c-eligible PV system that will take the total array capacity above the total inverter capacity, they will attempt to phone the customer or the PV retailer. If they are unable to make contact, they will send an email. They will advise the customer or applicant that the 44c FiT is likely to be forfeited if the installation proceeds. If the installation proceeds, or has already occurred, the 44c FiT is maintained and the case is flagged for review once the Bill is passed. The 44c FiT will then likely be removed after review. If the inverter capacity is no greater than 5 kVA, the system is likely to qualify for the regional FiT.

If one or more panels of an array require replacement and the proposed new array capacity is greater than the inverter capacity, then installers should ensure the total array capacity doesn’t exceed the original array capacity. This is irrespective of whether or not the replacement is under warranty.

Batteries and additional generators

One intent of the legislation changes is to clarify that customers on the 44c FiT can install a battery and retain eligibility for that FiT, if they wish. However, customers cannot use a battery or a second generating unit on the same electrical installation, i.e. same tariff, as the 44c-qualifying PV system to increase the volume of export beyond a level otherwise possible. The battery or second generating unit must be programmed to only discharge into the premises at night or during a grid outage. The battery system must have a grid-isolation link. There must be no overlap of PV generation and battery discharge. More details will be provided once the legislation changes are finalised.
Monitoring compliance
Ergon, and Energex, apply complex algorithms to metering data to identify changes in both export and consumption levels that indicate unapproved changes to PV systems. We also access aerial imagery when necessary to calculate the approximate array capacity installed.
If we suspect an unapproved capacity increase, we will investigate, where relevant remove the 44c FiT and seek to identify the installer involved.

Don't install without a connection offer
Despite our ongoing education and some financially painful consequences, a small number of installers still occasionally install PV systems before the applicant has received our connection offer, and entered into a connection contract. Even if the connection contract is ultimately entered into, installation without approval is still a breach of the legislation and the installer may be referred to the Clean Energy Council.
But in an increasing number of cases, we are unable to make an offer for the proposed system. In a worst-case scenario, in some of Ergon’s 33 isolated communities, we have had to instruct customers and their installers to disconnect the systems from the network, with no prospect of the customers being able to have their system connected to the network in the foreseeable future.
We urge all installers to protect themselves by requesting from the applicant or customer written evidence that a connection contract has been established, before they commence the installation.

Reminder: Working safely with asbestos
We recently published advice in our Relay newsletter for electrical contractors dated 19 July 2017, that we’ve created a new asbestos page with information and documentation relating to working with asbestos on our electricity network. Everyone who works on our assets is requested to read the document titled Asbestos Related Work or Removal Management Guide – For Network.
This guide provides a set of minimum requirements and expectations for work that involves, or is likely to involve, the disturbance of asbestos. For PV installers, that’s relevant to working on meterboards containing asbestos.
Also, we recommend you subscribe to our Alert Service and select ‘Asbestos’ and we’ll email you when there are any new or updated documents.
We’re working hard to provide and maintain a safe and healthy work environment for our employees, contractors and members of the public.
If you have any queries about asbestos please email asbestos@ergon.com.au

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