

# consumer guide



*Clean Energy Council*

## **Consumer guide to buying household solar panels (photovoltaic panels)**

Household use of solar photovoltaic (PV) panel systems has grown significantly in Australia this decade behind increased awareness of the risk of dangerous climate change, the reduced cost of systems and a range of government incentives to encourage use of the technology.

Solar power systems are now an affordable option for Australian households looking to reduce their power bills and generate their own clean electricity. With the increased range of products and suppliers on the market, being an informed consumer has never been more important.

This guide provides an introduction to solar PV systems so you are better equipped to make choices about a product that is right for you. Towards the back of the guide there are a series of questions you can ask your installer, electricity retailer and distributor to ensure you have all the information you need to make smart decisions.

This guide is intended for people who will be connecting their system to the electricity grid.



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## Installation checklist

### A step-by-step process to having your solar PV system installed

1. You conduct your own research into the benefits of having a solar PV system installed. In particular, you should ensure that you understand what will happen to your meter, your electricity tariff and your electricity bill before you agree to have a PV system installed.
2. You contact several CEC accredited designers/installers to arrange for a quote. A list of CEC-accredited designers/installers in your area can be found at [solaraccreditation.com.au](http://solaraccreditation.com.au)
3. By asking informed questions, (see 'Questions to ask your Designer/Installer'), you then select a CEC accredited designer/installer.
4. The CEC accredited designer/installer designs a PV system to meet your requirements (see 'What does the Design and Specification of my Solar PV System involve?')
5. You, or the CEC accredited designer/ installer, apply for any applicable rebates (see 'What government schemes are in place to lower the cost of purchasing a solar PV system?')
6. You, or your designer/installer, complete the connection and approval process for your electricity retailer and electricity distributor. This process varies between states and territories (see 'Flowcharts for the Connection Procedures of each State and Territory' at [cleanenergycouncil.org.au](http://cleanenergycouncil.org.au))
7. The CEC accredited Designer/Installer completes the installation of your solar PV system
8. The designer/installer contacts your electricity retailer or electricity distributor to arrange for your new meter to be installed (see 'Questions to ask your Electricity Retailer' or 'Questions to ask your Electricity Distributor')
9. An appropriate qualified professional installs your new meter
10. Your solar PV system is now ready to produce electricity.
11. You enter a Feed-in Tariff Agreement with your Electricity Retailer (see 'Questions to ask your Electricity Retailer')
12. Depending on which state you live in, your local electrical authority may conduct a safety inspection of your solar PV system

**NB:** Please note this process may vary slightly between the states and territories.



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## How does solar PV work?

Solar Photovoltaic (PV) panels are generally fitted on the roof in a northerly direction and at an angle to maximise the amount of sunlight that hits the panels.

Solar PV panels on the roofs of homes and businesses generate clean electricity by converting the energy in sunlight. This conversion takes place within modules of specially fabricated materials that make up the solar panels. It is a relatively simple process that requires no moving parts. In most cases solar panels are connected to the mains power supply through a device called an inverter.

Solar panels are different to solar hot water systems, which are also mounted on household roof-tops but use the heat from the sun to provide hot water for household uses.

The technology to convert sunlight into electricity was developed in the 19th century, but it was only in the second half of the 20th century that development accelerated behind the need to provide reliable supplies of electricity in remote locations – from satellites in space to outback Australia.

Solar panels have been installed on the rooftops of houses and other buildings in Australia since the 1970s. Currently there are more than 600,000 solar panel systems safely and reliably delivering clean electricity across Australia.



## Grid-connected solar PV systems

Most suburban homes in Australia are connected to the electricity grid, which uses alternating current electricity (AC). But the electricity generated by solar panels is direct current (DC). That means grid-connected (GC) solar PV systems need an inverter to transform the DC electricity into AC electricity suitable for ordinary household needs. Houses with solar systems use solar power first before sourcing electricity from the grid.

When the panels are not producing electricity at night, electricity is supplied from the existing electricity grid. For systems with a battery backup (optional), the inverter regulates the charge of batteries. The electricity stored in the batteries can be used at night or during blackouts.



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## How much power do they generate?

The output of a solar PV system depends on its size. The most common household systems are either 1 kilowatt (kW) or 1.5 kilowatts, although some property owners have installed systems of up to 10 kilowatts. The table below shows the average daily production of some common grid-connected systems throughout Australia.

*Data Source: PV-GC spreadsheet based on the CEC GC Design Guidelines*

Average daily production					
City	1 kW system	1.5 kW system	2.0 kW system	3.0 kW system	4.0 kW system
Adelaide	4.2 kWh	6.3 kWh	8.4 kWh	12.6 kWh	16.8 kWh
Alice Springs	5.0 kWh	7.5 kWh	10.0 kWh	15.0 kWh	20.0 kWh
Brisbane	4.2 kWh	6.3 kWh	8.4 kWh	12.6 kWh	16.8 kWh
Cairns	4.2 kWh	6.3 kWh	8.4 kWh	12.6 kWh	16.8 kWh
Canberra	4.3 kWh	6.45 kWh	8.6 kWh	12.9 kWh	17.2 kWh
Darwin	4.4 kWh	6.6 kWh	8.8 kWh	13.2 kWh	17.6 kWh
Hobart	3.5 kWh	5.25 kWh	7.0 kWh	10.5 kWh	14.0 kWh
Melbourne	3.6 kWh	5.4 kWh	7.2 kWh	10.8 kWh	14.4 kWh
Perth	4.4 kWh	6.6 kWh	8.8 kWh	13.2 kWh	17.6 kWh
Sydney	3.9 kWh	5.85 kWh	7.8 kWh	11.7 kWh	15.6 kWh

*The rated output is that achieved in perfect laboratory conditions. The CEC design summary software takes these deratings into account when predicting average for any given system.*

A typical Australian house consumes around 18 kilowatt hours (kWh) per day so a 1-2kW system displaces an average of 25-40% of your average electricity bill. Solar panels produce more energy in summer than they do in winter.



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## How much do solar panels cost?

The cost of solar panels has continued to change over the past decade behind different government incentive schemes and increased diversity in the panels, inverters and suppliers on the market.

Being an informed consumer is increasingly important. Similar to buying a car or a computer, you'll want to be sure that your system is a sound investment that best meets your needs at a reasonable price.

It is important to be clear on what you want from your solar PV system. Are you after a system that will partially offset your energy consumption for 5-10 years before requiring a system upgrade? Or do you want a system that will completely offset your household's electricity use for the next 25 years? Like buying a second-hand car as opposed to a brand-new sports car, these two solar PV systems are both sound investments depending on your needs, but will vary significantly in price.

The price of your solar PV system can also be affected by variables including:

- Government rebates and support schemes (these vary in each state)
- Location
- Number of panels
- Orientation of panels
- Type of panels
- Type of inverter
- System design and configuration
- Shipping costs for equipment and parts
- Contractor installation costs
- Removal of trees or other shading
- Type of roofing (for example, tiled or tin)
- Height of roof
- Site preparation needs (for example, condition of roof or ground)
- Structural engineering, architectural, and other professional services (for commercial systems)

Keeping in mind the variables mentioned above, the table below shows an approximate guide on price range for grid-connected solar PV systems in the major capital cities. Government rebates such as Renewable Energy Certificates, Solar Credits and Feed-in Tariffs are included in these figures.

Estimated system price	
System size	Estimated price range
1.5 kW	\$2500 - \$6000
2 kW	\$3000 - \$7000
3 kW	\$5000 - \$9000
4 kW	\$7000 - \$12,000

Please note these prices are a guide only, the actual price you are offered for a solar PV system may vary. Figures are estimates based on market conditions as at June 2012 and may change due to changed market settings. Prices are inclusive of GST.



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### Australian Standards

It is important you ask your accredited installer to provide proof that your panels meet Australian standards.

The Clean Energy Council has a frequently updated list of all solar panel and inverter models that meet Australian standards. To see the list, please [click here<sup>2</sup>](#).

Solar PV systems must also comply with The CEC Design and Installation Guidelines.

### Warranties and guarantees

Solar PV panels generally come with a performance warranty that can last up to 25 years and a guarantee lasting five to ten years. Additionally, panel material warranties and workmanship guarantees generally span 5-10 years.

It is important to know who is providing the warranty – the manufacturer or the importer. In the absence of a manufacturer, the importer is responsible for the warranty. However, if the importer changes their business name or sells their business, their warranty obligations towards you cease. Ask your installer who is providing the warranty.

A system manual that provides operation, maintenance and safety information should be provided by your installer. This must also include a system energy output (kWh) estimate.

It is important to ensure you obtain written confirmation of statements made by your installer, including performance claims, guarantees and warranties. Documentation will be essential if you need to make warranty or insurance claims.

### What should I do if a product is faulty while still under warranty?

The Clean Energy Council deals with complaints involving a breach of the Clean Energy Council accreditation guidelines, accreditation Code of Conduct or relevant Australia Standards. However, we are not empowered to handle issues of a commercial nature, such as warranties. As of 1 January 2012 the new Australian Consumer Law came into effect which creates a range of new protections for consumers in relation to warranties and faults. To find out more about whether your solar installation is covered by the provisions of the new law you should visit their website: [www.consumerlaw.gov.au](http://www.consumerlaw.gov.au)

Failing that, should you have an issue with any solar PV product whilst under warranty, you should first contact the supplier in order to have the product replaced or repaired. If you are unable to contact the supplier, you should contact the manufacturer. Contact details should be provided on the warranty documentation.

If this is unsuccessful, you will need to lodge a complaint with the relevant Fair Trading office (sometimes called 'Consumer Affairs') in your state or territory (see list of contact details on page 24). The Office of Fair Trading can negotiate on your behalf and arrange mediation where necessary.



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### What government schemes are in place to lower the cost of purchasing a solar PV system?

There are currently three types of financial assistance offered for solar PV systems in Australia:

- Small-scale Technology Certificates (STCs)
- Solar Credits
- Feed-in tariffs

### Small-scale Technology Certificates (STCs)

Small-scale Technology Certificates (STCs) are an electronic form of currency created by the Renewable Energy (Electricity) Act 2000 (also known as the RET scheme). One STC is equivalent to one megawatt hour of electricity generated by your solar PV power system. The price of STCs changes according to market conditions. As an owner of a solar PV power system, you can register, sell, trade or surrender STCs for systems up to 100kW.

There are two ways you can be paid for your STCs:

1. Assign your STCs when you purchase your solar PV system to a registered agent in exchange for a financial benefit which may be in the form of a delayed cash payment or upfront discount on your solar PV panel system (most consumers take this option); or
2. Create the STCs yourself by finding a buyer and then selling and transferring them in the Renewable Energy Certificate (REC) Registry.

For a list of registered agents, contact the [Clean Energy Regulator](#)<sup>3</sup>.

STCs may be created for solar PV systems in batches of either one, five or 15 year deeming periods. At the beginning of each successive one or five year deeming period, the Regulator (from the Clean Energy Regulator) must be satisfied that your solar PV system is still installed and is likely to remain functional for the next deeming period. In order to claim STCs for the full 15 year deeming period upfront – which is the most common option - your designer/installer must be accredited by the Clean Energy Council. More information is available in the *RET process for Owners of Small Generation Units (SGUs)* guide published by the Clean Energy Regulator [click here](#)<sup>4</sup>.

The level of subsidy will depend on a number of factors, including the location (also known as the zone) of the solar PV system, the size of the system and the price of STCs at the time the system was installed.

The Australian Government has capped the price of STCs at \$40 but the actual value of an STC varies from day to day. STCs are traded on the STC market meaning the price will vary according to supply and demand. Over the past year the price of STCs has ranged between





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around \$25 to \$35. The Clean Energy Council website displays a current STC price on the homepage at [cleanenergycouncil.org.au](http://cleanenergycouncil.org.au)

Australia is divided up into various zones based on how much renewable energy can be generated by a solar panel in a given area. So the same sized system installed in Melbourne or Hobart (Zone 4) receives fewer STCs than those installed in Sydney (Zone 3) or Darwin (Zone 2) because Melbourne and Hobart have less sunshine so less solar energy is produced. The table below shows the level of financial support available from STCs on solar PV systems in the major capital cities of Australia.

Small-scale Technology Certificates – Level of financial support						
City	Zone	Rating	System Size	Deeming Period	Total STC Entitlement	Total Subsidy
Adelaide	3	1.382	x 1.5 kW	x 15 (years)=	31	\$992 (31 STCs x \$32)
Brisbane	3	1.382	x 1.5 kW	x 15 (years)=	31	\$992 (31 STCs x \$32)
Canberra	3	1.382	x 1.5 kW	x 15 (years)=	31	\$992 (31 STCs x \$32)
Darwin	2	1.536	x 1.5 kW	x 15 (years)=	34	\$1088 (34 STCs x \$32)
Hobart	4	1.185	x 1.5 kW	x 15 (years)=	26	\$832 (26 STCs x \$32)
Melbourne	4	1.185	x 1.5 kW	x 15 (years)=	26	\$832 (26 STCs x \$32)
Perth	3	1.382	x 1.5 kW	x 15 (years)=	31	\$992 (31 STCs x \$32)
Sydney	3	1.382	x 1.5 kW	x 15 (years)=	31	\$992 (31 STCs x \$32)

*Zone Rating x Rated Power Output (1.5kW) x Deeming Period (15 years) = Total STC Entitlement  
Figures based on the \$32 STC rate as at December 2012. This is an approximate rate and the STC price will vary.  
For more information, contact the [Clean Energy Regulator](#) 5*

## Solar Credits

As of 1 January 2013, this section is only relevant for customers who meet the requirements as outlined below.

Only solar PV systems installed prior to 1 January 2013 are eligible to receive the solar credit multiplier. If an agreement was entered into prior to 16 November 2012, you have until 30 June 2013 for your system to be installed and still receive the solar credit multiplier. Further details on solar credits can be found on the [Department of Climate Change and Energy Efficiency website](#)<sup>6</sup>.

The Australian Government sets the level of the solar credits multiplier and reduces it over time reflecting reductions in the costs of rooftop solar panels. Changes are shown in the table below.



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Multiplier for certificates for small generation units	
Installation period	Number of multipliers
9 June 2009 to 30 June 2010	5 x
1 July 2010 to 30 June 2011	5 x
1 July 2011 to 30 June 2012	3 x
1 July 2012 to 31 December 2012	2 x
1 January 2013 onwards	1 (ie. no multiplier)

For example, Adelaide has an STC entitlement of 31 STCs for 1.5kW capacity (see Small-scale Technology Certificates – Level of financial support table on page 8). Under the solar credits multiplier, the first 1.5 kW is multiplied by 2 (31 x 2 = 62) and then an additional 31 STC’s is given for the remaining 1.5kW capacity (62 + 31 =93). The table below shows the level of financial support that you would receive for installing a 3kW system using the current approximate STC price of \$32 both with, and without, the solar credit multiplier.

Approximate level of support for 3kW system				
City	2 x Solar Credits multiplier (systems installed up to 31 December 2012)		No Solar Credits multiplier (systems installed from 1 January 2013)	
	STCs	Approximate support	STCs	Approximate support
Adelaide	93	\$2976	62	\$1984
Brisbane	93	\$2976	62	\$1984
Canberra	93	\$2976	62	\$1984
Darwin	103	\$3296	69	\$2208
Hobart	79	\$2528	53	\$1696
Melbourne	79	\$2528	53	\$1696
Perth	93	\$2976	62	\$1984
Sydney	93	\$2976	62	\$1984

Source: Department of Climate Change and Energy Efficiency 7.  
Based on the STC price of \$32 as at December 2012

## Feed-in tariffs

Several states have introduced, or are in the process of introducing, feed-in tariffs. A feed-in tariff pays you for electricity generated by your solar PV system.

Under a net feed-in tariff, a premium is paid for any solar energy that goes back into the grid from your house. So if you have surplus energy generated by your solar panels, you get paid for it; and if you use all of the energy you generate it will be offset against your normal electricity bill.



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Under a gross feed-in tariff you get paid for every unit of electricity generated by your solar panels, regardless of whether it goes into the grid or is used by your household.

You need to apply to your electricity retailer to receive the feed-in tariff. When signing an agreement with your electricity retailer, you need to be informed. In particular, you should check with your electricity retailer about any tariff changes that will occur as a result of installing solar and carefully weigh up the advantages and disadvantages before making a decision. This should be considered before you install tariff changes.

Important questions to ask about your feed-in tariff agreement include:

- What price will they pay you for your electricity (in cents per kWh)?
- What is the cost of the electricity you purchase from them (in cents per kWh)?
- Will you lose your lower off-peak rates by moving onto a higher Time of Use (TOU) tariff?
- What will be the form of payment for electricity you produce? It is likely you will receive the feed-in tariffs you earn by default as a credit on your electricity bill rather than cash.
- What will be the form of payment for surplus electricity you produce? Will it be cash, cheque or EFT on request?

Other important questions to ask when signing an agreement with your electricity retailer are discussed in further detail later in this document.

The table below shows the feed-in tariffs introduced, or in the process of being introduced, in the various states, and the savings that could be made on a 1.5 kW system. These savings are an estimate only and may vary depending on the size of your solar PV system, the products used, location of the system and how much electricity your household consumes. The actual savings you make may also vary depending on the electricity retailer you are with. For a more accurate estimate, your accredited designer/installer will be able to calculate your potential savings as part of their load analysis.



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1.5 kW system under the feed-in tariff schemes\*

Location	Scheme name	Scheme type	Scheme nature	2012/2013 scheme rate	Based on 5% of electricity being fed into the grid		Based on 25% of electricity being fed into the grid		Based on 50% of electricity being fed into the grid	
					Annual FIT value	Annual FIT & offset value	Annual FIT value	Annual FIT & offset value	Annual FIT value	Annual FIT & offset value
Victoria	New Standard FIT	Net export FIT	Mandatory	8c per kWh	\$8	\$433	\$39	\$375	\$79	\$303
South Australia	FIT and FIT Premium	Net export	Mandatory	26c per kWh	\$30	\$613	\$148	\$609	\$297	\$604
Queensland*	Solar Bonus Scheme*	Net Export FIT	Mandatory	44c per kWh	\$51	\$605	\$253	\$691	\$506	\$798
Queensland	Solar Bonus Scheme	Net Export FIT	Mandatory + Voluntary	16c per kWh	\$18	\$573	\$92	\$530	\$184	\$476
Queensland	Solar Bonus Scheme	Net Export FIT	Mandatory	8c per kWh	\$9	\$564	\$46	\$484	\$92	\$384
Western Australia	Horizon FIT + REBs	Net Export FIT	Mandatory + Voluntary	50c per kWh	\$60	\$664	\$301	\$778	\$602	\$920
Western Australia	Synergy FIT + REBs	Net Export FIT	Mandatory + Voluntary	25c per kWh	\$30	\$634	\$151	\$628	\$301	\$619
Western Australia	Renewable Energy Buyback Scheme (REBs)	Net Export FIT	Mandatory	8c per kWh	\$10	\$614	\$51	\$528	\$101	\$419
Australian Capital Territory	Net metering	Net 1:1 FIT	Voluntary	18c per kWh	\$21	\$421	\$105	\$421	\$211	\$421
Northern Territory	Gross Generation Rate	Gross Export FIT	Voluntary	22c per kWh	\$523	\$523	\$523	\$523	\$523	\$523
Tasmania	Net metering	Net 1:1 FIT	Voluntary	25c per kWh	\$24	\$485	\$121	\$485	\$242	\$485
New South Wales	Maximum Benchmark	Net Export	Voluntary	13c per kWh	\$9	\$566	\$43	\$483	\$85	\$379
New South Wales	Minimum Benchmark	Net Export	Voluntary	5c per kWh	\$5	\$563	\$27	\$467	\$53	\$347

\* This rate is now closed to new applicants

**Disclaimer:**

The above table provides an indicative example of the value from exported and offset energy that could be expected in average conditions, based on average rates, for the Average Australian house.



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Solar generation statistics are in accordance with Clean Energy Council estimates for the regions described but can be expected to vary depending on your precise location and situation. Feed in tariffs are in accordance with latest published data as at August 2012 from various providers. Please note that some electricity providers may provide more or less than the rates described in the table.

Electricity offset savings are based on 2012/2013 price data from the Australian Energy Market Commission (AEMC), or State bodies where significant variations to rates occurred subsequent to the publication of the AEMC report. Please note that a significant and constantly changing variety of offers for electricity prices exists and may affect the outcomes represented in the table. All electricity rates exclude GST and daily charges which will have an impact on the outcomes. Household energy consumption is based on the Average Australian level of 17kWh/day, based on the AEMC report.

Please note that many of the schemes described have caps, end dates and/or are subject to change and as such you will need to check on the availability of these offers when you apply. It is also important to note that some electricity retailers may, depending on the tariff structure you are on, offer higher or lower rates for solar energy you produce to offset your bill and/or export to the grid. In States where solar offers are voluntary, there is no obligation to provide a solar offer although in most cases offers do exist and those represented on the table are indicative of common rates. Some States have offers that are a combination of voluntary and mandatory rates. Eligibility rules apply in virtually all circumstances and you will therefore need to ensure you are eligible before proceeding.

Please note that whilst we have endeavoured to provide a sound indication of typical situations around Australia, your individual situation is likely to differ from these and you should consult with your electricity and service providers to ascertain your particular outcome.

These rates are residential offers only and do not relate to offers available for commercial customers.

For more information on feed-in tariffs contact your relevant state government department:

State Government Departments		
State	Department	Contact
ACT	Department of Environment, Climate Change, Energy & Water	13 22 81
NSW	Department of Industry & Investment	1300 136 888
NT	Department of the Chief Minister	08 8999 5511
QLD	Office of Clean Energy	13 25 23
SA	Sustainability & Climate Change	08 8204 2999
TAS	Department of Infrastructure, Energy & Resources	1300 135 513
VIC	Department of Primary Industries	136 186
WA	Office of Energy	08 9420 5600



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### What does the design and specification of my Solar PV System involve?

#### Accredited Designers / Installers

To be eligible for government rebates, the designer and installer of your solar PV system must be accredited by the Clean Energy Council. The Clean Energy Council's accreditation scheme ensures that accredited designers and installers of solar PV power systems:

- have undergone the necessary professional training
- follow industry best practice
- adhere to Australian standards
- routinely update their skills and product knowledge.

For a list of accredited professionals, please see [solaraccreditation.com.au](http://solaraccreditation.com.au).

An accredited designer/installer will provide you with a solar PV system design and specification. This will include things such as:

- establishing your electrical loads over an average day using a load analysis
- determining the type of panels
- determining the size of your solar PV system
- deciding the type of inverter
- establishing the location of solar panels in relation to angles, available sunlight, shading and temperature.

### What size solar PV system should I install?

The size of your solar PV system will depend on:

- the physical unshaded area available for the installation of your panels
- how much you are prepared to spend
- what portion of your electrical consumption you wish to generate.

To work out what size solar PV system you require, you need to analyse your household's daily electricity consumption. Your monthly or quarterly electricity bill measures your household's electricity consumption in kilowatt hours. From this figure, you can calculate your average daily electricity consumption, and the average amount of electricity your solar PV system needs to produce to cover your electricity needs.

This process will be completed by your accredited designer during the design and specification stage, as part of their load analysis.

### What size panels should I buy?

Solar PV panels come in different wattages. The main issues are your budget and whether the solar panels will physically fit in the space you want to install them.

Each solar panel is approximately 1.6 metres long and 0.8 metres wide. A 1kW solar panel system will require around 8-10m<sup>2</sup> of roof space, and a 1.5kW solar panel system requires around 12 m<sup>2</sup>. This will vary depending on the type of panel installed on your roof.



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### What sort of panels should I buy?

There are three main types of solar panel available, each with their own benefits. During the design and specification stage, your accredited designer will help you choose which type is the best to suit your needs:



#### 1. Mono Crystalline (monocrystalline c-Si)

These panels are a proven technology that has been in use for over 50 years.

They are commonly used where space is limited, or where there are high costs associated with installing large panels.

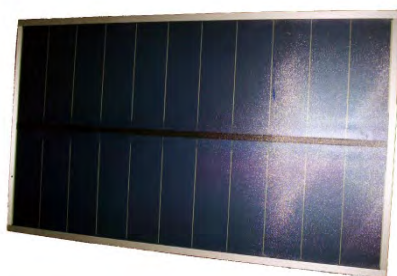
They have a very slow degradation, generally losing 0.25 - 0.5% per year.



#### 2. Poly Crystalline (polycrystalline c-Si)

These panels are similar to Mono Crystalline panels, but the silicon used is Multi-Crystalline which is easier to make.

They are comparable to Mono Crystalline in performance and durability. Slightly more panels are required to produce a given amount of electricity.



#### 3. Thin Film

Thin Film panels have been in commercial production for over ten years. These panels are typically moderately larger than the other panel varieties.

In comparison with other panel types, their efficiency does not drop significantly on hot days.

The most common varieties of Thin Film panels are:

- Cadmium Telluride Thin-Film panels (CdTe)
- Copper Indium Gallium Selenide Thin-Film panels (CIGS)
- Amorphous silicon Thin-Film panels(a-Si)



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For more detailed information, please visit the Desert Knowledge Australia Solar Centre at - [www.dkasolarcentre.com.au](http://www.dkasolarcentre.com.au)<sup>8</sup> - The Desert Knowledge Australia Solar Centre is a live research facility run by Desert Knowledge Australia that tests the performance of different types of solar panels according to type and installation, including those mentioned above.

### What angle should the solar panels be on?

Solar PV panels produce most power when they are pointed directly at the sun. In Australia, solar modules should face north for optimum electricity production. The orientation of the panels will often have a greater effect on annual energy production than the angle they are tilted at. A minimum tilt of 10° is recommended to ensure self cleaning by rainfall.

For grid-connected solar PV power systems, the solar panels should be positioned at the angle of latitude to maximise the amount of energy produced annually. Most Australian homes have a roof pitch of 20° to 30°.

If your roof's slope is not ideal, your accredited designer can create an appropriate mounting frame to correct the orientation and elevation of your panel. Failing this, the designer can advise you on the difference in energy output for different tilt and orientation.

### How much sunlight should the panels receive?

The amount of energy in sunlight that a solar PV panel receives over a day is expressed in peak sun hours. As the amount of energy generated by a panel is directly proportional to the amount of energy it receives from sunlight, it is important to install panels so they receive maximum sunlight.

Your accredited designer will calculate the amount of energy generated by the solar PV panel from the peak sun hours available. Peak sun hours vary throughout the year.

### Shading / Dirt

Solar PV panels should ideally be in full sun from at least 9am to 3pm. They should not be placed in shaded areas and be kept free from dust and dirt. Even a small amount of shade - from things like trees, roof ventilators or antennas - will have a large impact on the output of a panel, as it changes the flow of electricity through the panel. Shading or dirt on just one of the cells in a solar panel results in a loss of power from many cells, not just the one that is shaded.

### Temperature

The amount of electricity a solar PV panel can generate is reduced as temperatures increase. Solar panels operate best at ambient temperatures up to 25°C. However, if the ambient temperature is higher, the panel's output declines.





## Consumer guide to buying household solar panels (photovoltaic panels)

### What is an inverter? What sort should I buy?

Solar PV panels produce low voltage DC electricity. The inverter converts this into the AC electricity needed to supply power for standard appliances.

The efficiency of an inverter is measured by how well it converts the DC electricity into AC electricity. This usually ranges from 95% to 97.5% for most models. Check the inverter's specifications before you purchase.

Inverters are sized according to the power (watts) they can supply.

### Australian Standards

It is important to ensure that your grid connect inverter complies with Australian Standards. This is required to be eligible for the REC's and Solar Credits.

Ask your accredited installer to provide proof that your inverter meets Australian standards.

The Clean Energy Council has published a list of all grid connect inverters that meet Australian standards. To see the list [click here](#)<sup>9</sup>.

Manufacturer guarantees range from 5 to 15 years.

### What will happen to my meter at home?

When your solar PV system is installed you may need to have a new meter installed.

If you have a traditional accumulation meter (with a spinning disk) this will need to be replaced with an interval meter or smart meter. This is because an accumulation meter does not record the energy you export to the grid or the electricity you import from the grid. An interval meter or a smart meter provide half hourly readings of the electricity you consume and the surplus electricity you generate.

The states and territories have committed to the progressive rollout of smart metering across Australia from 2007. While a smart meter is similar to an interval meter in that it records electricity usage in 30-minute intervals remotely to your electricity company, smart meters have a range of additional capabilities. So if your new meter is an interval meter, it will need to be replaced again with a smart meter when this rollout occurs.

Depending on where you live, your interval meter may be a gross meter or a net meter.

If you are on a gross feed-in tariff scheme, your gross meter separately measures the total electricity consumed by your household and the total electricity generated by your solar PV system. Your electricity company reads the meter and determines the total amount of electricity generated by your solar panels, regardless of whether it goes into the grid or is used by your household.

If you are on a net feed-in tariff scheme, your net meter measures your household's electricity and the electricity generated by your solar PV system together. Your electricity company reads the meter and calculates any surplus electricity fed back into the grid.

Your new meter must be installed by a relevant qualified professional. This may be organised by your accredited designer/installer; or your electricity retailer; or electricity distributor. Ask to find out who will organise this for you.



## Consumer guide to buying household solar panels (photovoltaic panels)

The installation of a new meter may affect your electricity billing rates:

- The new meters are provided by your electricity distributor. The cost of this is passed from the electricity distributor to your electricity retailer. Generally, this cost is recovered by your electricity retailer through increased network charges on your monthly electricity bill.
- You may move from an off-peak tariff to a time-of-use (TOU) tariff. A TOU tariff is a pricing structure that changes depending on the time of day you consume power. In peak demand periods (day), charges will be higher than consumption during lower demand periods (night). So while electricity is most expensive during the day, this will be offset by your solar PV system producing energy during this time also.
- If you move from an off-peak tariff to a time-of-use (TOU) tariff, this will particularly affect your dedicated off-peak loads, such as hot water, space heating and air-conditioning.

You should check with your electricity retailer about any tariff changes that will occur as a result of installing solar and carefully weigh up the advantages and disadvantages before making a decision. This should be considered before you install your solar PV panels.





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### Quotation / Contract

Following the design and specification you may request a quotation for the design and installation of the system.

The quotation could provide specifications, quantity, size, capacity and output for the major components, including:

- solar PV modules
- mounting frames
- structure
- inverter
- any additional metering
- data-logging
- travel and transport requirements
- other equipment needed
- any trench digging
- a system user manual.

The quotation should also specify a total price, together with proposed start and completion dates. The quotation should form a basis for your contract with the designer/installer.

In addition, a contract for the supply and installation of the power system should be included with the quotation.

The contract should include:

- an estimate of the average daily electricity output (in kWh)
- the estimated annual production
- the estimated production in the best and worst months
- the responsibilities of each party
- warranties and guarantees, including installer workmanship schedule of deposit and progress payments.
- who is responsible for connecting your solar PV system to the electricity grid
- who responsible for your meter changeover
- who is responsible for organising you to move to a premium feed-in tariff
- how you will receive your REC's and/or Solar Credits



# Consumer guide to buying household solar panels (photovoltaic panels)

## Questions to ask your designer / installer

When signing a contract with your designer/installer, you need to be informed. Important questions to ask include:

- **Accreditation**

- Is the designer accredited?
- Is the installer accredited?
- What are their accreditation numbers? Ask to see their accreditation photo ID card



- Will your system be designed and installed by an accredited individual?
  - Check the list of accredited installers on the Clean Energy Council website to confirm [solaraccreditation.com.au](http://solaraccreditation.com.au)
  - Contact the designer/installer's former customers to find out if they were knowledgeable, easy to work with, and took the time to explain the systems operation. Also find out if their systems are working well, if there have been any problems, and, if so, if they returned to fix them. Ask for the designer/installer business references, and check them, especially if the company's reputation is unknown.
- **Experience**
    - How many systems has the designer/installer completed?
    - How many systems similar to your system has the designer/installer completed?
    - When was the last time the designer/installer completed a system? New products are constantly entering the market. A designer/installer who has completed several recent installations will probably be up-to-date on the newest products and the latest regulatory issues.
  - **Quality of Products – Australian Standards**
    - Do the modules you use meet the Australian Standards? Check the Module List on the Clean Energy Council website to confirm - [solaraccreditation.com.au](http://solaraccreditation.com.au)
    - Do the inverters you use meet the Australian Standards? Check the Inverter List on the Clean Energy Council website to confirm - [solaraccreditation.com.au](http://solaraccreditation.com.au)



## Consumer guide to buying household solar panels (photovoltaic panels)

- Do some research on the other balance of system components that your designer/installer suggests, such as the mounting hardware. Do the products meet industry standards?
- If you know of other people who have used these products, ask for their feedback: Are they satisfied? Have they had problems?
- **Warranties**
  - What kinds of warranties come with the products?
  - Which warranties are your responsibility and which are the manufacturer's?
  - How long have the equipment manufacturers been in the PV industry? Long warranties are meaningless if the manufacturers aren't around in five years.
  - If you have to deal with the panel or inverter manufacturer in the future, do they have an Australian office?
- **Service Agreements & Performance Guarantees**
  - What performance guarantees do you get for the system as a whole?
  - How will you know if your system is performing to its maximum potential on a day to day basis?
  - Does the designer/installer provide some kind of optional service agreement?
  - If problems arise with your system, what services will the designer/installer provide and for how long?
  - Will the designer/installer be readily available to troubleshoot and fix problems?
  - If something goes wrong, who is responsible for repair or replacement costs?
  - Who is responsible for maintaining the system?
  - If you are responsible, what kind of training will the designer/installer provide?
  - Will basic system safety issues be explained?
- **Paperwork**
  - Does the designer/installer handle organising all the necessary metering changes?
  - Does the designer/installer organise all the paperwork for your local electricity supplier to move you to a premium feed-in tariff?
  - Does the designer/installer handle all the REC paperwork for you?



## Consumer guide to buying household solar panels (photovoltaic panels)

- **References**

- Contact the designer/installer's former customers to find out if they were knowledgeable, easy to work with, and took the time to explain the systems operation. Also find out if their systems are working well, if there have been any problems, and, if so, if they returned to fix them. Ask for the designer/installer business references, and check them, especially if the company's reputation is unknown.

- **Quote**

- Does the price quoted include or exclude money received from RECs?
- Does the price quoted include all the necessary metering changes and paperwork for my local electricity supplier?
- Does the quote include all labour, transportation and inspection charges?
- Does the designer/installer give an accurate estimation of system production with their quotes?

- **Payment Terms**

- What are the payment terms?
- Is there a deposit? When is it required? Is it refundable?
- Do you need to pay the whole amount or just the difference after the RECs and/or Feed-in Tariff?

- **Time Frames**

- What is the lead time from your payment to getting electricity from your solar PV system?

- **The Final Decision**

- By installing a solar PV system, you need to take responsibility for it and learn the basic safe operation and proper maintenance of your systems. You should think carefully before selecting a designer/installer. Online and mail-order solar PV system suppliers who never visit your home may have difficulty recommending the most appropriate equipment. A comprehensive, on-site solar and load analysis and two way interview can help ensure a thoughtfully designed and well-planned installation.

### What happens after my solar PV system has been installed?

#### Entering into agreement with your electricity retailer

After your solar PV system has been installed and if you wish to opt-in to a feed-in tariff, you will need to enter into an agreement with an electricity retailer. Not all electricity retailers offer solar friendly policies so it is best to check and compare the following items prior to entering into an electricity trading agreement.



## Consumer guide to buying household solar panels (photovoltaic panels)

### Questions to ask your electricity retailer

- What price will they pay you for your electricity (in cents per kWh)?
- What is the cost of the electricity you purchase from them (in cents per kWh)?
- Will I lose my off-peak rates once my meter has been changed? Will this be replaced with a time-of-use (TOU) tariff?
- Are you signed onto a premium feed-in tariff rate or a standard feed-in tariff rate? If your electricity retailer signs you up to a standard feed-in tariff agreement you will receive less money for the excess electricity you feed back into the grid.
- What will be the form of payment for electricity you produce? It is likely you will receive the feed in tariff's you earn by default as a credit on your electricity bill rather than cash.
- What will be the form of payment for surplus electricity you produce? Will it be cash, cheque or EFT on request?
- Penalty clauses (termination costs)
- Billing / payment periods
- Are there any other administration fees?
- Do you organise all the necessary metering changes? If no, refer to 'Questions to ask your Electricity Distributor' (below). If yes – the following questions apply:
  - Is your new meter an interval meter or a smart meter? If it is an interval meter it will need to be replaced with a smart meter when the rollout occurs.
  - Can you have a smart meter, rather than an interval meter, installed to avoid unnecessary meter exchange costs when the smart meter rollout occurs?
  - Will your new meter continue to measure off-peak power use?
  - Is your new meter a gross meter or a net meter?
  - What is the cost of your meter?
    - Is it supplied free of charge?
    - Is there an upfront cost?
    - Is the cost recovered through increased network charges on your monthly electricity bill?
  - What is the cost of installing your meter?



# Consumer guide to buying household solar panels (photovoltaic panels)

## Questions to ask your Electricity Distributor

- Do you organise all the necessary metering changes?
- Is your new meter an interval meter or a smart meter? If it is an interval meter it will need to be replaced with a smart meter when the rollout occurs.
- Can you have a smart meter (rather than an interval meter) installed to avoid unnecessary meter exchange costs when the smart meter rollout occurs?
- Will your new meter continue to measure off-peak power use?
- Is your new meter a gross meter or a net meter?
- What is the cost of your meter?
  - Is it supplied free of charge?
  - Is there an upfront cost?
  - Is the cost recovered through increased network charges on your monthly electricity bill?

## Safety Inspections

Following the installation of your solar PV system, safety inspections may be carried out by your relevant electrical authority. Depending on which State you live in, these inspections may be mandatory or may occur on a random audit basis. It is the responsibility of either your installer or your relevant electrical authority to organise these inspections if applicable in your state. For more information, please contact your relevant electrical authority from the table below.

The Clean Energy Council, the Department of Climate Change and Energy Efficiency and the Clean Energy Regulator also conduct its own inspection program. This applies to installations completed by accredited designers and installers. It occurs on a random basis and aims to ensure that solar PV systems meet the Australian Standards and Accreditation Guidelines.

Electrical Authorities		
State	Responsible Authority	Contact
ACT	ACT Planning and Land Authority	02 6207 1923
VIC	Energy Safe Victoria	03 9203 9700
TAS	Office of Electricity Standards and Safety	03 6233 7851
SA	Office of the Technical Regulator	08 8226 5500
QLD	Electrical Safety Office	07 3225 2000
NT	NT Worksafe	1800 019 115
NSW	Office of Fair Trading	13 32 20
WA	Energy Safe WA	08 9422 5200





## Consumer guide to buying household solar panels (photovoltaic panels)

### Dispute resolution

#### Clean Energy Council

The Clean Energy Council deals with complaints involving a breach of the Accreditation Rules, Accreditation Code of Conduct or relevant Australia Standards.

For example, this may involve:

- Faulty or poor workmanship, such as incorrect wiring, incorrect labeling or damage to your house during installation
- Use of modules and inverters that do not meet the Australian Standards

It does not extend to include Solar PV retailers. It only applies to individual tradespeople who hold a Clean Energy Council Solar PV Accreditation.

If you have a complaint of this nature, the Clean Energy Council will require you to provide the following information via the Clean Energy Council [online dispute form<sup>10</sup>](#):

- Full contact details of all involved parties
- A description of the problem that has led to dispute
- All relevant information on any dispute
- Any actions taken to resolve the dispute
- Full detail of all interaction with the accredited person.

The Clean Energy Council may decide to appoint an investigator. Where the dispute cannot be immediately resolved, a tribunal will be established to determine the appropriate actions required to deal with all issues to the satisfaction of the parties involved. The Tribunal may decide to:

1. Downgrade or extend the designer/installer's accreditation to provisional; or
2. Suspend the designer/installer's accreditation; or
3. Put the designer/installer on a year's probation; or
4. Cancel the designer/installer's accreditation either for a specified period or for life.



# Consumer guide to buying household solar panels (photovoltaic panels)

## State and Territory Offices of Fair Trading/Consumer Affairs

If you have a complaint about a commercial matter, you can contact the Office of Fair Trading (sometimes called 'Consumer Affairs') in your state or territory. Examples of commercial complaints include:

- Disputes to do with price
- Disputes over warranty
- Disputes to do with the terms and conditions of the agreement with your electricity retailer
- Disputes over the level of service provided by your designer/installer
- Disputes about the quality of work provided (excluding safety issues)
- Disputes to do with the overselling of benefits

The Office of Fair Trading can negotiate on your behalf and arrange mediation where necessary, but it does not have the power to force your designer/installer to fix the problem.

State	Body	Contact
ACT	Office of Fair Trading (ACT)	02 6207 0400
NSW	Office of Fair Trading (NSW)	13 32 20
NT	Consumer Affairs (NT)	1800 019 319
QLD	Office of Fair Trading (QLD)	13 13 04
SA	Consumer and Business Affairs (SA)	08 8204 9777
TAS	Consumer Affairs and Fair Trading (TAS)	1300 65 44 99
VIC	Consumer Affairs (VIC)	1300 55 8181
WA	Consumer Protection (WA)	1300 304 054

## Electrical Authorities

If you have concerns about the safety and technical compliance of your solar PV system, you can contact the electrical authority in your state or territory who may arrange for your solar panel system to be inspected.

State	Body	Contact
ACT	ACT Planning and Land Authority	02 6207 1923
VIC	Energy Safe Victoria	03 9203 9700
TAS	Office of Electricity Standards and Safety	03 6233 7851
SA	Office of the Technical Regulator	08 8226 5518
QLD	Electrical Safety Office	07 3225 2000
NT	NT Worksafe	1800 019 115
NSW	Office of Fair Trading	13 32 20
WA	Energy Safe WA	08 9422 5200



# Consumer guide to buying household solar panels (photovoltaic panels)

## Small claims courts and tribunals

If you have been unable to resolve your dispute to your satisfaction with assistance from either the Clean Energy Council or the Office of Fair Trading, you can take your complaint to the appropriate Small Claims Tribunal or Court in your state or territory. You should seek independent legal advice about whether this option is available and suits your circumstances.

State	Responsible Authority	Contact
ACT	Small Claims Court	02 6217 4272
NSW	Consumer, Trader & Tenancy Tribunal (CTTT)	1300 135 399
NT	Local Court (Small Claims Division) Limit is \$5,000 and claims must be lodged within 2 years of the event	08 8999 6298
QLD	Small Claims Tribunal The limit on small claims is \$7,500	07 3247 4578
SA	Magistrates Court - Small Claims Deals with disputes of up to \$5,000	08 8204 2444
TAS	Magistrates Court - Minor Civil Claims Division Any dispute claiming \$5000 or less.	03 6233 3623
VIC	Victorian Civil and Administrative Tribunal No limit to the amount you may claim	03 9628 9830
WA	Magistrates Court	08 9425 2222



# Consumer guide to buying household solar panels (photovoltaic panels)

## Industry Ombudsman

If you have a complaint about your electricity retailer or electricity distributor, you can contact the Energy Ombudsman in your state or territory. For example, the Energy Ombudsman may be able to help if your complaint is about:

- The provision and supply of electricity
- Failure to provide or supply electricity services
- Quality of electricity supply
- Billing
- Credit and payment services
- Electricity disconnections
- Connection or transfer issues
- Actions of a supplier which affect your property
- Metering not working
- Billing unfair

State	Body	Contact
ACT	Essential Services Consumer Council	02 6207 7740
NSW	Energy and Water Ombudsman NSW	1800 24 65 45
NT	Ombudsman for the Northern Territory	1800 80 63 80
QLD	Energy Ombudsman QLD	1800 662 837
SA	Energy Industry Ombudsman SA	1800 66 55 65
TAS	Energy Ombudsman Tasmania	1300 76 67 25
VIC	Energy and Water Ombudsman (Victoria)	1800 50 05 09
WA	Energy Ombudsman Western Australia	1800 75 40 04

## What should I do if the company has gone out of business?

If the supplier has become insolvent and you are unable to contact the manufacturer, you can lodge a complaint with the supplier’s administrators. You can find out if a company has become insolvent via the [Australian Securities and Investments Commission](#) website or by phoning 1300 300 630. Your local Office of Fair Trading may also have information about the appointment of external administrators for insolvent companies.

Likewise, if the manufacturer has gone into administration, you can lodge a complaint with the company’s administrators. As a consumer, you may become an unsecured creditor.

If the external administrator fails to deal with your queries or complaints, you can lodge a complaint with ASIC or by calling ASIC on 1300 300 630.



## Appendix

1. Clean Energy Council - [cleanenergycouncil.org.au/cec/resourcecentre/Consumer-Info/connecting-to-the-grid](http://cleanenergycouncil.org.au/cec/resourcecentre/Consumer-Info/connecting-to-the-grid)
2. Clean Energy Council - [solaraccreditation.com.au/acccec/approvedproducts](http://solaraccreditation.com.au/acccec/approvedproducts)
3. Clean Energy Regulator - <http://ret.cleanenergyregulator.gov.au>
4. Clean Energy Regulator - <http://ret.cleanenergyregulator.gov.au/sgu/index>
5. Clean Energy Regulator - <http://ret.cleanenergyregulator.gov.au>
6. Department of Climate Change and Energy Efficiency - [www.climatechange.gov.au/government/initiatives/renewable-target/need-ret/solar-credits-faq.aspx](http://www.climatechange.gov.au/government/initiatives/renewable-target/need-ret/solar-credits-faq.aspx)
7. Department of Climate Change and Energy Efficiency - [www.climatechange.gov.au/government/initiatives/renewable-target/fs2-solar-credits-small-scale.aspx](http://www.climatechange.gov.au/government/initiatives/renewable-target/fs2-solar-credits-small-scale.aspx)
8. Desert Knowledge Australia – Solar Centre - [www.dkasolarcentre.com.au](http://www.dkasolarcentre.com.au)
9. Clean Energy Council - [solaraccreditation.com.au/acccec/approvedproducts/inverters](http://solaraccreditation.com.au/acccec/approvedproducts/inverters)
10. Clean Energy Council - [solaraccreditation.com.au/consumers/complaints/dispute-form](http://solaraccreditation.com.au/consumers/complaints/dispute-form)
11. Australian Securities and Investments Commission - [www.search.asic.gov.au/gns001.html](http://www.search.asic.gov.au/gns001.html)