

Financial benefits for installing solar water heaters or solar panels

This guide aims to help people understand the financial benefits they may get from buying a solar water heater or solar panel system for their house or business.

About the Small-scale Renewable Energy Scheme

The scheme rewards you for installing renewable energy systems. You get small-scale technology certificates that you can sell yourself in an online space called the REC Registry (REC Registry) or sell to an agent.

The number of certificates you're given is based on how much electricity your solar panel makes or your solar water heater saves over its life. A solar panel usually has a life of 15 years. A solar hot water system usually has a life of 10 years.

Agents may offer you a discount on the system price, a cash payment or another gift you agree on between you for the right to create and sell certificates for your system.

How do I know if my system is eligible?

Certificates can only be created for eligible systems. You should check that your system is one that can give you certificates, before you buy it.

The system may be a solar water heater, solar panel, air source heat pump, or wind or hydro system.

Solar water heaters and air source heat pumps must:

- be new, and
- be listed on the Clean Energy Regulator (Clean Energy Regulator) register of solar water heaters.

Solar panels, wind systems and hydro systems must:

- be new
- have parts that are on the Clean Energy Council (Clean Energy Council) list of accredited components
- have a generation capacity less than 100 kilowatts
- be installed correctly by a Clean Energy Council accredited installer, and
- follow all local, state, and federal rules, including safety rules.

The financial benefit for your system

Agents may offer you a cash payment, system discount or another gift for the right to sell certificates for your system.

What they offer you depends on how many certificates your system may get and the price of certificates at the time.

The quickest and easiest way to figure out how many certificates you may get is to use the calculators on our website. Use the small generation unit calculator for solar panels and wind or hydro systems. Use the solar hot water calculator for solar hot water heaters or air source heat pumps. The calculators should be used as a guide only.

Certificate prices change daily due to supply and demand. You may want to search on the internet for 'STC traders' or 'REC traders' to get an idea of current certificate prices.

Most people choose to sell their certificates to an agent. A list of registered agents is available on our website.

You can also choose to sell the certificates yourself. If you do this, you will not get a cash payment or discount from the agent.

Selling your certificates to an agent

Once your system is fully installed, your agent will give you a form to fill out. This gives the agent the right to create and sell certificates for your system.

You can only sign over your certificates to an agent when your system is fully installed and works. It is against the law to sell certificates before the system is installed.

We do not get involved between you and an agent. When the agent gives you a payment or discount for the right to your system's certificates, it's a contract between you. It's up to you and your agent to work out the details.

You may only fill out one assignment form for each system.

Selling certificates yourself

Selling certificates yourself may take more time than selling them to an agent. This is why most people chose to sign over their certificates to an agent.

To sell certificates

1. Work out how many certificates you will get.
2. Make sure your system is eligible and installed properly.
3. Make sure you understand the scheme and fill out the right legal paperwork.
4. Create a REC Registry account. You may need to pay a fee for this.
5. Create your certificates.
6. Find a buyer for your certificates.

Legal paperwork

You must have all the right legal paperwork before you can create and sell certificates.

This paperwork includes:

- An onsite verification statement. This says that the installer or supervisor was there when the system was installed.
- Written statements that say the installer:
 - » is accredited by the Clean Energy Council
 - » has installed a system that meets the Australian Standards
 - » has at least \$5 million in public liability insurance
 - » has installed the system according to local and state rules, and
 - » has completed the installation.

You must provide proof of these to the Clean Energy Regulator if we ask you to.

It is up to you to understand the scheme and have the right legal paperwork. You must always follow the law when you create or sell certificates.

If you break the law for any reason, we may:

- ask you to return the certificates, or
- begin legal proceedings against you and a court may give you a fine or a term in jail.

Creating your certificates

Certificates can only be created within 12 months from the date the system was installed.

You must create certificates in the REC Registry before you can sell them. The REC Registry is an online system to create, validate and sell certificates.

You do not have to do this if you sell your certificates to an agent. The agent will create the certificates in the REC Registry.

Before you create certificates, make sure that:

- The system works and was installed by an accredited person no more than 12 months ago.
- You are the system owner.
- You have all the legal paperwork.
- You have internet access and a Registered Agent account in the REC Registry.

We must audit and validate the certificates before you can sell them.

Selling your certificates

After your certificates are validated, you can sell them through the open market or the STC Clearing House (STC Clearing House). The STC Clearing House is part of the REC Registry.

To sell in the open market

1. Find a buyer. Buyers may be liable entities (usually electricity retailers) or certificate traders.
2. Work out the details with your buyer. These include the number of certificates, the price and how the buyer will pay. We don't set the price of certificates or get involved between buyers and sellers.
3. Agree to sell your certificates to the buyer. You must have the proper paperwork.
4. The buyer pays you. The buyer can't use the REC Registry to make the payment.
5. Transfer certificates to the buyer in the REC Registry.

To sell in the STC Clearing House

You can use the STC Clearing House to sell certificates at a fixed price of \$40 (without GST) per certificate. The STC Clearing House is found in the REC Registry.

1. List your certificates for sale in the STC Clearing House.
2. Your certificates will be added to the bottom of the 'transfer list'. They will stay on the list until a buyer asks to buy them. We can't tell you how long this will take.
3. You will get an email to tell you when your certificates are sold.
4. The buyer pays you as soon as they buy the certificates. The money should arrive in your account within three working days.

Inspections

We may come and inspect the system after the certificates have been sold. If we find the system was not eligible for certificates, we will ask you to return them or we may begin legal proceedings against you.

Contact us

It's up to you to understand the scheme and have the right legal paperwork. You must always follow the law when you create and sell certificates.

Clean Energy Regulator

Website: www.cleanenergyregulator.gov.au

Phone: **1300 553 542**

Email: enquiries@cleanenergyregulator.gov.au

If you need an interpreter, call the Translating and Interpreting Service (TIS National) on **13 14 50**.