

## Policy Brief: Solar for All Package – NSW

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### *The proposal*

1. Expand the NSW Solar for Low-income Households Trial and/or the Regional Community Energy Fund to fund trials of Solar Gardens and other models that allow locked out energy users\* to access solar.
2. Expand the NSW Empowering Homes program to include a Solar for All Rebate. This rebate would be used to scale the successfully trialled solar access models and ensure that everybody, no matter where they live or how much they earn can access clean energy.

*\*Locked out energy users are those who rent, live in apartments, are on low incomes, experience energy stress or live in houses where they can't install solar for example because their roof is shaded.*

### *Why a Solar for All Rebate?*

- **It's a big problem!** NSW has the highest number of locked out energy users in Australia, both in absolute and proportional terms. According to ABS at least 30% of households rent and 21% live in apartments. Assuming some overlap, that means at least 1 million households are locked-out of solar in NSW
- **Barriers to access.** Locked out energy users face a range of barriers to solar including split incentives, shading, and poverty. The majority of these can be addressed through a combination of different models.
- **Creating a market.** Supporting locked-out energy users to access solar will allow scale to apply to the new business models and normalise the expectation that for apartment developers and landlords will install solar. This will change the market, unlocking private-sector investment and lowering the amount of assistance required from state governments over time.
- **Lowers bills.** Solar is one of the best ways to support households, particularly vulnerable households to lower their power bills. According to the ACCC households with solar save \$500 on their bills compared to non-solar households.
- **It's only fair!** Past solar programs such as the Solar Bonus Schemes and STCs from the Renewable Energy Target have been extremely successful, helping to grow the market and deliver huge benefits. However, only homeowners with suitable roofs have been able to access these programs. It is only fair that programs are developed to include everyone. A solar for all policy would go a significant way to addressing the fairness issues that have faced rooftop solar access to date.
- **Acting on climate.** Supporting locked-out solar households will help lower the greenhouse gas emissions and be a step on the way to achieving a safer climate for all.
- **Australians love solar.** There is a reason that 2.1 million Australian households have installed rooftop solar – we are the sunburnt country and solar just makes sense. Locked out energy users also love solar and would like to participate in the solar revolution and take control of their energy future.

### *Step 1: Funding a trial*

The NSW government would fund a solar garden trial including trialling a “solar for all rebate” for 1000 customers. This real-world trial will prove the model, test customer interest, set-up legal templates and lower the cost for future applications. It will also trial how to implement a solar for all rebate, to ensure that it is easy to access and is structured equitably. This trial could be done through an expansion of the Solar for Low-income Households Trial and/or the Regional Community Energy Fund

Other solar for all models could also be trailed, that way lessons from each of the trials be learnt and mechanisms put in place to scale the most successful models.

## Step 2: How a Solar for All Rebate would work

1. The state government would announce a Solar for All Rebate as an expansion of their Empowering Homes program.
2. The Rebate would support various eligible models of solar access, for example:
  - a. A rebate for a household to buy into a Solar Garden
  - b. A direct rebate for low-income owner-occupiers (means-tested)
  - c. A rebate split between landlords and tenants ([similar to Victoria](#))
  - d. A rebate that can be claimed by social housing providers, as long as they can prove the tenant will get the financial benefit of the solar
  - e. A rebate for apartment owners to help fund an apartment micro-grid (assuming administrative hurdles can be addressed)

Providers of different solar for all models could register to be eligible to provide the rebate to customers.

3. The Rebate would have clear requirements, to ensure only households that either cannot afford to put solar on their roof or do not have a suitable roof are eligible. These requirements would include those who:
  - Are low-income
  - Rent
  - Have a shaded roof
  - Live in an apartment
4. The Rebate would be between half and the full-cost of solar. The amount provided as a rebate would be means tested, to ensure that the most vulnerable households received the most financial assistance.
5. Extra support should be provided to ensure that the most vulnerable households are supported to participate in lowering their bills through solar. This could include a carve-out requiring providers to include 10-25% vulnerable households in each project. Or could involve working with social service providers, such as financial hardship councillors.
6. The Solar for All Rebate should be accompanied by additional energy education and advice services so that households can get the most electricity savings from their solar. Applicants to the Solar for All rebate would be asked to provide a year's worth of electricity bills (to provide a baseline) however, households without access to their recent bills would not be excluded.
7. Recipients who receive state energy concessions, would agree to give up their energy rebate and receive the Solar For All rebate in its place, with the proviso that if they were not better off after a year they would be able to re-apply for the normal rebate.

