



SA Power Networks | Industry News

Post 30 September 2013 FiT Obligations

24 July 2013

ITEMS COVERED IN THIS INDUSTRY NEWS

The current State Government PV feed-in scheme (the FiT Scheme) is rapidly drawing to a close. This Industry News Bulletin is aimed at providing Industry participants and customers with an understanding of their obligations if they wish to install Small Embedded Generator (SEG) systems in the near future.

The topics covered in this Industry News are:

1. Customer obligations post 30 September 2013 FiT Scheme closure;
2. What does a Small Embedded Generator (SEG) approval cover and when does it become valid;
3. Warning: Connection of SEG systems to non-compliant market meters.

1). Customer obligations post 30 September 2013 FiT scheme closure

The current 16c/kWh FiT scheme will close to all new applicants who have not received an SEG approval from SA Power Networks before 1 October 2013. Customer's applications that may have been received prior to 30 September 2013, but are not approved until on or after 1 October 2013 for any reason, or received after 11:59pm 30 September 2013 **will not** be eligible for feed-in credits under the Solar (PV) Feed-in scheme.

Subclause 36AE(9)(b) of the Electricity Act stipulates that a person who receives approval to connect a Solar SEG system before 1 October 2013 to remain eligible for consideration for credits under the 16c FiT scheme must, within 120 days after 1 October 2013, install their SEG system and make an appointment with SA Power Networks to install an appropriate market compliant import/export meter. The 120 day period for making an appointment concludes at 11:59pm 29 January 2014.

Please note, making an appointment with SA Power Networks means:

- 1) A Form A application must have been sent to the customer's Retailer with sufficient time for the Retailer and SA Power Networks to have received and processed the application.
 - a. *Please note that processing times can vary depending on demand and in some cases take several weeks. It is strongly recommended that customers lodge their fully completed and compliant Form A application with their Retailer by 1 January 2014 to ensure their application can be processed in time to enable an appointment booking to be made before the cut off date. SA Power Networks can not guarantee that Form A applications lodged with a customer's Retailer after this date can be processed in time to meet the regulatory cut off date.*
- 2) A connection appointment has been booked with SA Power Networks.
- 3) Lodging a Form A application with the customer's Retailer and/or the Retailer passing a request onto SA Power Networks does not constitute an appointment with SA Power Networks.

Appointments can be booked with SA Power Networks on-line via our REX system for registered users or by contacting the SA Power Networks Builders & Contractors Line on 1300 650 014 after we have received and processed a customer's Form A application. The Builders & Contractors phone line is open for bookings from 8:00am to 5:00pm ACST/ACDT Monday to Friday only. The REX on-line system is generally available for registered users on a 24/7 basis.



The SEG approval request form and approval process is an on-line application and in most cases approval is automated and immediate. However, there are instances where an application will need to be investigated before an application can be approved. SA Power Networks will not be held responsible should the on-line application system not be available, or a customer's application can not be processed in time to enable a customer to obtain approval before the close off date.

Approval to connect is not an acknowledgement that the customer's application is correct or that the customer will be eligible for the FiT scheme. The eligibility criteria for the FiT scheme are complex and much of the information and specific conditions needed to assess eligibility are not available until a solar system is connected to the network and an appropriate import/export meter is installed. Accordingly, SA Power Networks can only make an assessment of eligibility for the receipt of FiT credits under the present scheme **after** a Solar (PV) generator and an appropriate import/export meter have been installed.

2). What does an SEG Approval cover and when does it become invalid?

It would appear that many solar providers and customers have the impression that applying for an SEG approval from SA Power Networks is simply a formality and results in a generic approval that can be used to cover any equipment being installed, irrespective of what was applied for. This is not correct.

SA Power Networks' approval to connect an SEG is based on the information and details provided in a customer's initial application and strictly relates to the technical compliance and suitability of the proposed equipment to be connected to the Distribution Network. Where permission to connect an SEG relates to an existing supply, it is only given in relation to the nominated connection point as defined by the National Metering Identifier number, (NMI) stated on the application. Where permission to connect relates to a New Supply, it is given in relation to the nominated installation address until a connection point has been provided and a NMI has been allocated to that connection, at which time this approval is only valid in relation to that connection point.

The Approval is not transferrable and is only given in relation to the nominated inverter type, (brand and model), the SEG type, and the rated maximum kW peak capacity stated in the application to which the approval relates to. The installation of any equipment, other than that approved, will automatically invalidate the customer's approval and the applicant **must reapply** for approval prior to connecting the SEG system to our Distribution Network and before the system can be considered to be a qualifying generator under the PV feed-in scheme.

For example, if an application is lodged and approval given for a 1.5kW Solar (PV) generator with an SMA Sunny Boy 1600TL-10 Inverter and the solar provider actually installs a Jiangsu Eversolar New Energy TL1500AS Inverter, this will invalidate the customer's SEG approval, meaning the customer does not have an approved qualifying generator and it could impact on the customer's eligibility for the feed-in scheme.

SA Power Networks' installation approval does not imply in any way that the applicant will be eligible to receive a PV Feed-in credit or any other subsidies from other Government sponsored schemes that may be applicable from time to time.



The customer is responsible for the accuracy and correctness of the information provided in their application. SA Power Networks does not take any responsibility for the accuracy of any information provided in the customer's application, nor does the issuing of an approval to connect acknowledge or accept the correctness of the information that has been provided.

Due to the complexity of the eligibility criteria of the PV Feed-in scheme, a persons' eligibility to receive or continue to receive feed-in credits can not be determined until the SEG system has been installed and appropriate market compliant bi-directional metering has been installed as required by law. All of the information provided on the customer's application is used by SA Power Networks to determine an applicant's eligibility for credits under the existing Solar (PV) Feed-in scheme. Any information found to be incorrect in any way will invalidate the approval and will affect an applicants' eligibility status for feed-in credits under the current scheme.

3). Warning: Connection of SEG systems to non-compliant market meters.

A reminder to all customers and solar installers: SA Power Networks strongly advises against the practice of energising SEG systems when the customer's meter board is fitted with a standard analogue mechanical or electronic meter that is not capable of recording exported energy.

All of SA Power Networks' standard electronic non-import/export meters have an inbuilt security arrangement where any energy generated by a SEG and exported to the grid may be recorded on the consumption register of the meter as if it were imported from the grid and consumed by the customer's installation. This is a standard security measure utilised by all distribution and meter provider companies in Australia on these types of meters.

This means the customer is liable and will be charged for the energy they export as if they had imported and consumed this energy within their installation. Under the National Electricity Market laws a customer has no recourse through their Energy Retailer or SA Power Networks for discounts to their energy bills for energy consumption charges in this situation.

Customers are also reminded that they should not connect an SEG to a mechanical disk type meter. This will cause the meter to turn backwards giving the appearance that a customer has consumed less energy from the grid than they actually have. This is considered to be a breach of section 85(1)(b) of the Electricity Act of 1996, as the exporting of energy interferes with the meter's ability to correctly measure the consumption of energy supplied and used by the installation connected to the Network. Civil penalties up to a maximum of \$10,000 or two years imprisonment can be applied in these situations.

Authorised by: Ian Rogers, Manager Connection Services, SA Power Networks

