



Is the solar battery loan offer right for me?

Empowering Homes program guide

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Important information: In this guide, all information about indicative interest rates or repayments are estimates only and do not constitute a quote, loan application, loan offer or loan approval. If you are referred to a credit provider, any application with them is subject to their credit criteria and terms and conditions. Conditions, fees and charges may apply. Neither the NSW Government nor Plenti (the delivery partner of the Empowering Homes program on behalf of the NSW Government) has evaluated your finance requirements or determined your suitability for any loan product. The information contained in this guide should not be taken as financial advice and has been prepared as general information only without consideration for your particular objectives, financial circumstances or particular needs.

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Overview

About the offer

The NSW Government is making it easier for you to access clean, renewable energy and cut your electricity bills. Through our new solar battery loan offer (the Empowering Homes program), we are providing access to interest-free loans for up to 300,000 homeowners to install a solar battery system.

This program is initially running as a pilot to refine its design before rolling out across the state. A list of eligible postcodes can be found on the program website. Eligible households are now able to apply for interest-free loans for a battery (to add to existing solar) or a new solar and battery system. Eligible households are now able to apply for interest-free loans for a battery (to add to existing solar) or a new solar and battery system.

The two options available are:

- a loan of up to \$14,000 towards a solar photovoltaic (PV) plus a battery system (repayable over a range of terms up to eight years)
- a loan of up to \$9,000 towards retrofitting a battery system to an existing solar PV system (repayable over a range of terms up to 10 years).

Loans are not available for solar systems only. You can purchase more expensive systems, but will either need to pay the difference upfront, or take out an additional loan (which would be subject to market interest rates and not be interest-free) to pay the difference.

For a solar battery installation, you must use the loan to either:

- increase the size of your existing solar system and install a battery, or
- install a new solar system and battery.

For a battery only installation, you must:

- already have a solar system of sufficient size to support a battery, and
- have an appropriate, technologically equipped, inverter system (if you have an older system you may need to put some of the loan towards an upgrade).

This offer launched in the first quarter of 2020.

How to use this guide

Solar battery systems are a significant financial investment and are not right for everyone. This guide will help you make an informed decision about whether you are eligible and could benefit from this offer. For more information about solar battery systems please visit our website (energysaver.nsw.gov.au/solar-battery-loan-offer).

The information contained in this guide should not be taken as financial advice and has been prepared as general information only, without consideration of your particular objectives, financial circumstances or needs.



Am I eligible?

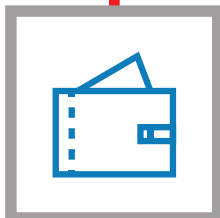
To access this offer, you need to meet the eligibility criteria listed below.

You must:



Location

Live in one of the eligible postcodes (listed on the website, energysaver.nsw.gov.au/solar-battery-loan-offer).



Income

Have a combined pre-tax household income less than or equal to \$180,000 per annum.



Home

Own your own home (this includes a mortgaged home) and live in it.

This home must be connected to the electricity network (the grid), suitable for a solar battery system, and you must have full authority and approvals to install the system, including strata approvals, if applicable.



Loan criteria

Satisfy standard credit criteria for the loan, such as a good credit history and the ability to make repayments without significant hardship.

Please note:

- Businesses are not eligible to apply. To learn about discounts and incentives for businesses visit the Energy Saver website (energysaver.nsw.gov.au).
- For more information about meeting eligibility criteria, see our frequently asked questions on our website.

Is a solar battery system right for me?

A solar battery system can help you reduce your impact on the environment, cut your electricity bills and increase your energy self-sufficiency. But it may not be the right choice for every household.

Please read this section carefully to learn how a home solar battery system works and which households it's most suitable for.

What is a solar battery system?

A home solar battery system creates a mini “power station” in your house.

Solar panels on your roof generate energy while the sun is shining, and this is used in your home during the day. The unused solar electricity is stored in an energy storage device installed in your home (the battery). This battery can help power your home when the panels aren't producing electricity, such as during the evening, when grid electricity is usually most expensive, or on overcast days.

Surplus power can be sold back to the electricity grid so it can be used in nearby homes and businesses, which can reduce your bills further. Some systems also allow you to use the electricity stored in your battery during blackouts, although this may cost more to set up during installation.

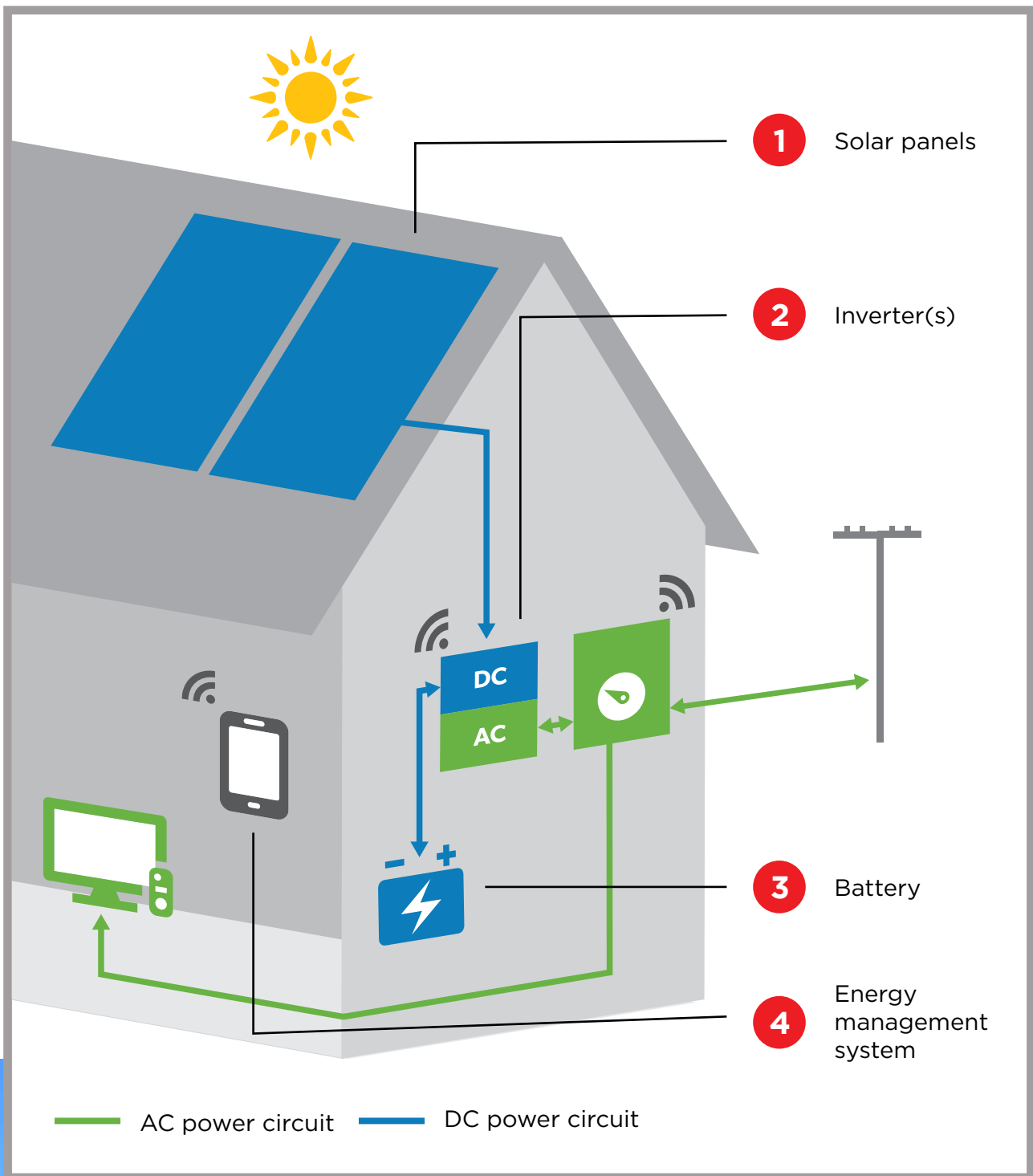
How does a solar battery system work?

Simple home solar battery systems include solar panels, an inverter and a battery, as well as a software system to manage it all.

- 1 Solar panels** convert sunlight into direct current (DC) electricity. This is used in your home and to charge your battery.
- 2 The inverter(s)** manages the flow of the DC electricity from the solar panels to the battery. It converts this into alternating current (AC), which is the type of electricity required to power your home.
- 3 The battery** is charged by the excess electricity from your solar panels which is not used in your home. Your battery helps to power your home when the solar panels stop generating electricity.
- 4 An energy management system** controls these different components, maximising the benefit of your solar battery system.



Figure 1. How a home solar battery system works



Considerations when buying a solar battery system

The purchase of a solar battery system should not be taken lightly. It is a significant financial investment and may only benefit certain households.










Your household is most likely to benefit from a solar battery system if you:

- consume a higher than average amount of electricity (more than 6,000 kilowatt hours a year – check your electricity bill to see your annual use)

- use most of this electricity in the mornings and evenings
- are on a time of use tariff with your electricity retailer or plan to switch to a time of use tariff
- have already implemented other energy saving measures (see examples on the bottom of page 9).

Before proceeding with this offer, you should carefully consider whether a solar battery system is right for your household. To help with this decision please refer to the below table, visit our website to use the solar battery calculator and read the NSW home solar battery guide and fact sheets, and speak with our approved suppliers.

Table 1. Benefits and things to consider before purchasing a solar battery system

Benefits of a solar battery system	Things to consider
 <p>Help reduce your electricity bill.</p>	 <p>Solar batteries are not right for everyone – consider how your household uses electricity.</p>
 <p>Use more of the solar electricity you generate.</p>	 <p>Buying and installing a solar battery is more complex and costly than buying solar alone.</p>
 <p>Access clean, renewable energy.</p>	 <p>There can be a large upfront cost for solar battery systems and the payback period is generally between 8-10 years, but could be longer.</p>
 <p>Become more self-sufficient with your own reliable energy source.</p>	
 <p>Sell excess electricity back to the grid.</p>	 <p>Batteries and inverters are unlikely to last as long as solar panels, so you may need to replace components after 10 years.</p>



Tips to cut your electricity bills

Remember, the simplest way to cut your electricity bills is to reduce the amount of energy you use. There are many other energy saving options you should explore before purchasing a solar battery system, including:

- replacing lights with efficient LEDs
- replacing old appliances with more energy efficient versions
- installing new solar panels or optimising existing solar panels
- improving building insulation.

For further information about how to cut your electricity bills visit:

- **Energy Saver** (energysaver.nsw.gov.au) to find out more about energy efficiency and other energy offers.
- **EnergySwitch** (energyswitch.service.nsw.gov.au) to check if your current electricity plan best meets your household's needs.

Application process

There are five steps in the application and installation process.



STEP 1

Decide if a solar battery system is right for you

Visit our website (energysaver.nsw.gov.au/solar-battery-loan-offer) to learn more about the offer and self-assess your eligibility. We suggest you use the resources on the website (including this program guide, the calculator, home solar battery guide, terms and conditions and frequently asked questions) to decide if a solar battery system could benefit you.



STEP 2

Compare quotes from approved suppliers

Once you have determined you are eligible and could benefit from a solar battery system, contact our approved suppliers to arrange a quote.

1. Speak to an approved supplier(s) (listed on our website) to discuss your needs and organise a pre-inspection of your home.
2. The supplier(s) will visit your home to confirm it is suitable for a solar battery installation and discuss the costs and savings you can expect from installing a system. A list of suggested questions to ask the supplier is provided on page 15.
3. Once the supplier has confirmed your home is suitable, they will provide you with a detailed quote for a system. The supplier will also provide you with a Quote Record Number (such as "LTZ4993"), which you will need to start or continue your application for a loan under the program.

We strongly recommend you request quotes from more than one approved supplier to ensure you're getting the best deal.



STEP 3

Choose the best quote

1. After selecting the most appropriate quote for you, enter the Quote Record Number in the portal accessed from the program website (alternatively, click the link in the email and/or SMS text message sent to you with your Quote Record Number).
If you have forgotten your Quote Record Number(s), you can retrieve them on the program website.
2. You will be presented with the details of your quote, which you must review and confirm as accurate before proceeding to the loan application.



STEP 4

Complete the loan application

1. After reviewing the quote for accuracy, you will be asked to confirm your eligibility and complete the finance application. This will involve providing your name, date of birth, residential address, homeowner status and evidence to support your stated household income. You will also be asked to consent to the NSW Government collecting and using your personal information for the purposes of managing and improving program delivery.
2. Our delivery partner, Plenti, will evaluate your application by verifying the details provided and conducting credit checks. You will then be notified if your application is approved.



STEP 5

Get your system installed

1. Once your loan is approved, the supplier will contact you to schedule a date and time to install your new solar battery system.
2. Before your solar battery system is installed, you and the supplier will enter into a supply and install contract. This contract is an important legal document with legally binding responsibilities that you need to carefully consider. This contract does not involve the NSW Government.
3. After installation, the supplier will show you how to use the system and provide the manufacturer and workmanship warranties.
4. Following installation, you will be contacted by Plenti to confirm the installation is complete. You will also be given an opportunity to provide feedback on the installation and application process.

Important information about installing a solar battery system

Before you can benefit from a solar battery system, you must be connected to the electricity network (grid) and have a smart meter installed by your retailer. To learn more about smart meter installation please speak to your supplier and see the frequently asked questions on our website.

Financing

As with any purchase, you should carefully consider the potential costs and benefits of a battery or solar battery system before committing to buy. Before taking out a loan you should also consider your ability to successfully make repayments over your chosen loan term, as failure to make your payments as scheduled may affect your ability to borrow in future.

Below is some additional information you may wish to consider before applying for this program.

Please note, this information should not be taken as financial advice and has been prepared as general information only, without consideration of your particular objectives, financial circumstances or needs. You may wish to seek independent advice before taking out a loan through this program.

About the loan administrator

Plenti, a regulated lender with a strong track record financing batteries and solar panels for Australian households, is the exclusive delivery partner and finance provider for the pilot of the Empowering Homes program.

If you apply for a loan through this program, you will complete the application on the Plenti platform, and will be required to agree to various Plenti terms and conditions.

After your system has been installed, your loan will be administered by Plenti (including the collection of scheduled monthly payments), and you will have access to a loan portal allowing you to:

- view details of your loan, including your loan schedule and loan contract
- change your regular scheduled monthly payment date
- make additional payments at any time with no penalty
- change your scheduled payment amount, if you wish to pay off your loan faster
- view and amend your contact details.

All loans facilitated by Plenti are regulated by the National Consumer Credit Protection Act (NCCPA). Visit Plenti's website (plenti.com.au) to learn more.

Assistance if you have difficulty making repayments

If you are having difficulty meeting your repayments under your loan, you should contact Plenti as soon as possible.

Depending on the nature of your financial hardship, Plenti may be able to assist you by changing your monthly repayment dates, reducing your payments for a period or temporarily suspending your payments altogether.



If you have a dispute that is unable to be resolved through Plenti, please contact the Australian Financial Complaints Authority (afca.org.au).

Expected costs and savings

Although there can be substantial benefits associated with installing a solar battery system in your home, there are also significant costs involved.

It's important you fully understand the potential costs and savings, to make an informed decision about whether this offer is right for you.

Table 2. Potential costs and savings associated with this offer

Costs 	Savings 
<p>Loan repayments</p> <p>Your monthly repayments are determined by the size of your loan:</p> <ul style="list-style-type: none"> • The maximum loan for a solar PV system and battery is \$14,000, with a maximum loan period of eight years. This means the minimum monthly repayment amount is \$146 over the eight years. • The maximum loan for a battery only installation is \$9,000, with a maximum loan period of 10 years. This means the minimum monthly repayment amount is \$75 over the 10 years. <p>These loan periods can be reduced through extra or early payments with no extra fees or charges incurred. They do not include any interest charges.</p>	<p>Electricity bill</p> <ul style="list-style-type: none"> • If your household is suitable for a solar battery system you could save more than \$250 a year during the loan repayment period. • Electricity savings will vary from household to household. Consult an approved supplier to get a detailed understanding of your potential savings.
<p>Electricity retailer and network fees</p> <ul style="list-style-type: none"> • Your energy retailer will continue to charge you a connection fee, as well as a fee for the electricity you use from the grid. This is because you will still need to import electricity from the grid when your battery is empty and your panels are not producing electricity. • Where you require the battery to be used as a back-up in the event of a power outage, there may be an additional network cost of approximately \$500. 	<p>Feed-in tariff</p> <ul style="list-style-type: none"> • You may receive a rebate on your energy bill (known as a feed-in tariff) for your excess electricity fed back into the grid. • The rates will vary, but the Independent Pricing and Regulatory Tribunal (IPART) has suggested a range from 8.5 – 10.4c/kWh as an appropriate feed-in tariff. This is less than the cost of the electricity you buy from the grid as it does not include a range of network and other costs that make up the usage component of your electricity tariff.
<p>System maintenance</p> <p>Aside from the upfront cost for your solar battery system, you may need to pay for ongoing system maintenance:</p> <ul style="list-style-type: none"> • You may consider having your solar system inspected and cleaned periodically to ensure it continues to run efficiently and safely. This work needs to be undertaken at your own cost. The battery shouldn't require any maintenance but check this with your supplier. • There may also potentially be some costs for monitoring system performance, check this with your supplier. 	<p>Virtual power plant</p> <p>You could potentially also access an additional rebate on your bill by signing up with a virtual power plant (VPP) provider (so you can 'sell' the energy in your battery to the grid at times of peak demand and high market prices).</p> <p>To learn more about VPPs please see our frequently asked questions on the website and speak to an approved supplier.</p>



Additional loans

This program has a maximum interest-free loan amount of \$9,000 (battery only) or \$14,000 (solar battery systems).

It's important to note that some systems available through this offer will cost more than this. To purchase a higher priced system, you can:

- pay the difference with your own funds
- seek a top-up loan from Plenti (top-up loans from Plenti must be at least \$1,000 and will attract interest), or
- seek an additional loan from another third-party provider to pay the difference.

All approved suppliers must offer a system within the above two loan amounts (unless significant additional work is required at your premises to enable a compliant solar battery system to be installed). Please speak to your supplier about the different types of available systems.

Upfront costs

This offer aims to ensure you pay no upfront costs, and for most customers this will be the case. However, your home may have existing issues that need to be fixed to make sure it is suitable for a solar battery installation. These could include, for example, upgrading wiring, removing asbestos or making other changes that could incur a cost.

Please speak to your supplier to discuss your home's suitability for a solar battery system and whether any potential additional costs may be incurred. They will advise you and include any relevant costs in the quote.

Questions to ask the approved suppliers

All approved suppliers for this program are solar battery experts and Clean Energy Council accredited. All products used in this program must meet minimum technical requirements to ensure a high level of quality.

Speak to the approved suppliers directly to find out more about the payback period, products and installation. Below are some questions you should ask your supplier when getting a quote:

✓ **What do you recommend for my property and energy needs, and why? Specifically:**

- » battery size
- » solar size
- » system set up
- » brand and model

✓ **What are the costs and savings involved? Including:**

- » what is the expected payback and return on investment?
- » what impact will this quoted system have on my quarterly electricity bill?
- » what impact will the feed-in tariff have on my electricity bill?

✓ **Can you provide detail about warranties? Including:**

- » what warranties are available for individual parts of the system, and what do they cover?
- » do the warranties cover shipping and labour if a part or the system needs replacing?
- » under what circumstances will the warranty become void?
- » what happens if there is a warranty claim and your business is no longer operating?

✓ **Can you provide additional details about the system set up? Specifically:**

- » what is the recommended layout of panels on the roof and do you foresee any issues?
- » what maintenance is required for this system and who can do it?
- » can I expand this system in the future with additional panels or batteries? What will that entail?
- » what is the life expectancy of the system (as a whole and individual parts)?
- » how can I track my system's energy production and consumption?
- » will my system generate enough energy to store excess for night time use?
- » how can I connect my system to a virtual power plant provider, and what additional costs and benefits might I expect?

✓ **Is my house suitable for a solar battery system? Specifically:**

- » is my roof suitable (for example - condition, orientation, angle, shading, space and will it support the additional weight of a system)?
- » what is the condition of my electrical wiring?
- » are there any asbestos issues to be addressed?
- » is there a suitable location for the battery that meets AS5139 Standards?
- » is fireproof sheeting required around the battery? If so what will it look like and cost?

Roles and responsibilities

Your role

If you successfully apply to this program, you will receive an interest-free loan to purchase a battery or solar battery system for your home. By applying, you agree to:

1. read all available information on the program website (including this guide)
2. check your eligibility and use the resources on the website to decide if a solar battery system could benefit your household
3. provide the correct information to the supplier and select the quote which best meets your needs
4. understand the obligations of a loan and owning a solar battery system
5. review all information provided by Plenti when applying for your loan, including your credit guide and quote, credit proposal document and loan contract (you may wish to seek advice before taking out a loan)
6. take ownership of the battery or solar battery system and be responsible for its maintenance
7. consent to the NSW Government collecting your application and system information to enable program oversight, management and ongoing improvement.

Please note – you are responsible for ensuring all the information you provide is accurate and not misleading. This is very important as the quotes you receive and the hardware installed will depend on the information you provide. Inaccuracies may mean products chosen do not suit your needs or are not economical. The NSW Government could also stop paying the interest on your loan if it is discovered that fraudulent information was provided in the application.

Plenti's role

Plenti is the exclusive delivery partner and finance provider for the pilot of the Empowering Homes program. Plenti will:

1. capture your loan application and assess your eligibility for a loan
2. pay the system supplier on your behalf, after your system has been successfully and compliantly installed
3. receive your monthly loan payments for the term of your loan
4. manage information and data between suppliers, customers and the NSW Government
5. ensure installations are compliant and installed safely
6. manage customer complaints
7. manage the performance of suppliers, including safety and quality assessments.



Approved supplier's role

There are a number of approved suppliers participating in this program and all installations for the pilot will be organised through them. Their details can be found on the program website. They will:

1. assess the suitability of your home, provide a quote for the system and installation, answer questions regarding the products and system and assist you with your application.

2. provide a customer contract

Before your solar battery system is installed, you and the supplier will enter into a supply and install contract. This contract is an important legal document with legally binding responsibilities that you need to carefully consider. This contract does not involve the NSW Government.

3. install your solar battery system

The supplier will sub-contract to a qualified installer who will install the solar battery system, connect it to the electricity network and ensure the system is working. They will provide you with training on how the solar battery system works and who to contact if there are any issues.

The installer will ensure the system is registered with the Australian Energy Market Operator (AEMO) once the Distributed Energy Resources (DER) register becomes available.

4. provide warranties and accreditation for the installation

The supplier will provide the solar battery system warranties and is responsible for maintaining the 10 year whole of system warranty for your system. The supplier and installer must meet all Clean Energy Council solar and battery accreditations and comply with health and safety regulations.

If the solar battery system breaks down or stops working you should contact the supplier who installed your system. The terms of the warranty are in the contract between you and the supplier.

NSW Government's role

The NSW Government has designed the pilot program and engaged the delivery partner (Plenti) to operate it. The NSW Government will pay the interest on loans made under the program.

Unauthorised suppliers

If you have been contacted by a supplier not listed on our website, they are not authorised to complete any work on behalf of the NSW Government or Plenti as part of this offer.

If you believe a company has been engaging in fraudulent or unethical activities relating to this offer, you may wish to lodge a complaint with NSW Fair Trading by calling 13 32 20 and report the scam to ScamWatch (scamwatch.gov.au).



Contact us

For further information:

Visit our website (energysaver.nsw.gov.au/solar-battery-loan-offer) to see additional resources, including frequently asked questions.

If you would like to request a quote or find out more about payback periods, products or installation:

Contact our approved suppliers. Their details can be found on our website (energysaver.nsw.gov.au/solar-battery-loan-offer).

We recommend you request quotes from more than one approved supplier to ensure you're getting the best deal.

For questions about the offer:

Call 13 77 88 to speak to someone at Service NSW.

For questions once you have started the application process:

Contact Plenti on 1300 645 015 or at empoweringhomes@plenti.com.au.

If you would like to make a complaint or raise an issue:

Contact the NSW Government's program team at empoweringhomes@planning.nsw.gov.au.





