1. The Queensland Solar Bonus Scheme (the Scheme) provides for eligible participants to supply surplus electricity generated from solar photovoltaic (PV) systems into the Queensland electricity grid. Participants in the Scheme are paid a feed-in tariff for their surplus exported electricity.
2. The feed-in tariff is paid by distributors and costs are passed through to electricity customers via network pricing. Since 2012, the Government has made a number of changes to the Scheme including closing the 44 cents per kilowatt hour (c/kWh) feed-in tariff to new customers and replacing it with an 8 c/kWh feed-in tariff to 30 June 2014.
3. The legislated 8 c/kWh rate was introduced in 2012 with an expiry date of 30 June 2014 and will no longer be paid to new and existing PV customers after this date.
4. From 1 July 2014, the competitive retail market will set feed-in tariff rates for customers in South East Queensland.
5. In regional Queensland, where customers do not have access to retail market feed-in tariffs, the Government will amend legislation to mandate a new retailer-funded feed-in tariff to replace the 8 c/kWh rate, and to require the Queensland Competition Authority (QCA) to set the rate of the regional feed-in tariff.
6. These amendments mean that Queensland PV customers will continue to be paid for their exported solar energy but that Queensland electricity consumers no longer carry feed-in tariff costs for 48,000 existing and any new solar PV connections.
7. The *Water Supply (Safety & Reliability) Act 2008* will also be amended to reflect the outcomes of the QCA review of the regulatory framework for coal seam gas (CSG), which recommended that the provisions relating to managing CSG water as recycled water be repealed as they substantially overlap with the management of CSG water under the *Environment Protection Act 1994*. That will enable better use of the water as a resource, and reduce costs for industry and government.
8. Cabinet approved that the Electricity and Other Legislation Amendment Bill 2014 be introduced into the Legislative Assembly.
9. *Attachments*
* [Electricity and Other Legislation Amendment Bill 2014](Attachments/Bill.pdf)
* [Explanatory Notes](Attachments/ExNotes.pdf)