

# Two-way Pricing – charging for both grid consumption and exports

From 1 July 2025 we are introducing two-way pricing to improve fairness in how different customers pay for using our network to both consume and export electricity.

## What is changing

Our move to two-way pricing means we will be including a price for exporting electricity which will be either a rebate or a charge, depending on when customers export into our network. Previously we only charged customers for using our poles and wires to consume electricity.

Essential Energy will not make more money from introducing export prices – the amount we earn is set by the Australian Energy Regulator. The amount we make from exports is offset by lower prices for consuming energy from our network.

Customers with a smart meter can opt-in to our two-way price through their retailer. Other customers will transition to our two-way price:

- ▶ As they make a new connection to our network, or
- ▶ When their meter is upgraded to a smart meter, or
- ▶ When they connect a new solar system or battery, or upgrade an existing one, or
- ▶ On 1 July 2028 for all other customers with a smart meter.

### Indicative 2025-26 export prices (\$2023-24)

Customers receive a **rebate of 11.1 cents/kWh** for electricity exported during the peak demand period (5pm – 8pm)

Customers are **charged 0.7 cents/kWh** for electricity they export above a free threshold during the peak export period (10am – 3pm)

## Why we are introducing two-way prices

As more customers install solar and batteries, managing their exports is becoming a greater part of our business and costs. Charging customers for using our poles and wires to export electricity will ensure that these customers pay their fair share. Without this, most of these costs would be shouldered by the customers who cannot access these exporting technologies.

Our export price is aimed at encouraging customers to:

- ▶ Install an appropriately sized solar system for self-consumption or face some panels to the west so the system generates energy when demand for electricity is high, and
- ▶ Use or export their self-generated electricity in a way that helps keep our network costs as low as possible.

## How our export price works

Our price:

- ▶ Has a generous rebate for exports between 5pm – 8pm when demand for electricity on our network is high
- ▶ Charges a small fee for exports between 10am – 3pm that exceed 7.5 kilowatt hours (kWh) per day to encourage self-consumption when there is excess electricity in the system and demand for electricity is low

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The following example shows how the export price will vary across the year for an average residential customer with a 5KW system. This example uses our estimated export charge and rebate prices for the year 1 July 2025 to 30 June 2026.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<i>kWh exports between 5pm – 8pm</i>	33	21	2	-	-	-	-	-	-	2	7	33	
<i>kWh exports between 10am – 3pm</i>	257	260	251	219	174	90	130	207	262	298	219	347	
<b>Export Rebate</b>													
11.1 c/kWh	\$3.33	\$2.33	\$0.22	-	-	-	-	-	-	\$0.22	\$0.77	\$3.66	<b>\$10.53</b>
<b>Export Charge</b>													
Days in the Month	31	28	31	30	31	30	31	31	30	31	30	31	
Free export threshold 7.5 kWh/day	232.5	210	232.5	225	232.5	225	232.5	232.5	225	232.5	225	232.5	
kWh above free threshold	24	50	19						37	65		115	
0.7c/kWh	\$0.17	\$0.35	\$0.13	-	-	-	-	-	\$0.26	\$0.46	-	\$0.80	<b>\$2.17</b>
<b>Net Export Rebate/(Charge)</b>	<b>\$3.16</b>	<b>\$1.98</b>	<b>\$0.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-\$0.26</b>	<b>-\$0.24</b>	<b>\$0.77</b>	<b>\$2.86</b>	<b>\$8.36</b>

## How this will affect your electricity bill

We expect our export price to have a very small impact on the electricity bills of most exporting customers across a year. This is because our export charge is very small and our export rebate is generous.

You may not see our export charge or rebate on your electricity bill because you buy electricity from your retailer. Retailers package all the costs in the electricity supply chain into your retail product, so our export price (both the charge and rebate) will be a new factor they will consider in their prices.

We do not know how retailers will pass through our export price to customers. We expect most retailers will adjust the rate of their feed-in-tariff. Others may introduce variable feed-in-tariffs where a lower rate is paid over the 10am – 3pm period and a higher rate at other times. This is why it is important to shop around for a retailer and consider all the elements that make up the final price you pay.

The Australian Government's [energymadeeasy.gov.au](http://energymadeeasy.gov.au) website is a good place to compare retail products. You can also visit electricity retailers websites directly. It is easy to switch retailers – you can sign up to a new retailer by filling out an online form on their website or by calling them. Your new retailer will organise the transfer from your existing retailer.

## Further information

- ▶ To opt-in into two-way pricing, contact your electricity retailer
- ▶ To compare retail offers visit [energymadeeasy.gov.au](http://energymadeeasy.gov.au) and retailer websites
- ▶ To read more about smart meters, tips for reducing your energy use and how Essential Energy is working to maximise value for our customers, visit [essentialenergy.com.au/our-network/future-energy](http://essentialenergy.com.au/our-network/future-energy)