

Australian Solar industry celebrates grid parity

Written by Mitra Ardron

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Solar industry celebrates grid parity ... [via ABC](#)

The [Australian] Photovoltaic Association says the drop in cost of producing power from solar panels has made solar power competitive with coal-generated grid power.

Solar power generated by photovoltaic cells on Australian rooftops has become so cheap and efficient that they now produce electricity for the same price that is charged by the electricity grid.

Australia is one of the first countries in the world for such solar power to reach what is known as 'grid parity'.

In a time of rising electricity prices, it means even without solar subsidies it makes good economic sense to install the panels on your house.

Across the country, governments of all persuasions are abandoning schemes to pay people for the power their rooftop solar cells generate.

Despite controversy over feed-in tariffs - which have been blamed for Australia's rapidly rising electricity costs - rooftop solar photovoltaic (PV) panels are now generating electricity for the same price and sometimes cheaper than can be bought from the grid.

In effect, this makes solar competitive with coal, even without subsidies, according to Photovoltaic Association spokeswoman Dr Muriel Watt.

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"It's competitive with coal if you add what you need to do to bring the coal-fired electricity to where you want to use it," she said.

"So it's coal plus the network. I think it's a really good investment and that's just looking at it from the price of electricity now."

Mr Watt says the growth in the market will mean a continuing decrease in solar production costs.

"We've seen rapid reductions in costs of production and now that's being reflected in prices as well, as we've seen a whole lot of new production come on stream," he said.

"Australia also has the high dollar, so that's made prices in Australia even cheaper than they are in other places, and our electricity prices have gone up significantly in the last five years."

Australian sunlight is stronger than it is in other parts of the world, making PV panels here more effective.

Mr Watt says grid parity is solar's coming of age and governments now need to rethink their whole power-pricing models

"It's been the holy grail of the industry to reach it," he said.

Mr Watt believes home-generated power should be worth a higher, competitive price given that it is already on the doorstep and does not require the huge cost of poles and power lines.