

How to Calculate Your Solar Savings

When you start receiving your electricity bills after having a Solar PV system installed it can take a little adjusting in order to understand your savings. We have received many calls over the years from confused clients who feel they are only saving the amount they are feeding back to the grid. However, in truth, most of the savings are courtesy of the power which clients no longer need to buy from their Electricity Retailer as they are utilising the power generated by their solar PV system.

A common misunderstanding when reading your Electricity bill is that the homeowner often mistakes the total savings their system has made to be the amount that shows as a credit on the bill.

It is important to realise that the Feed-In Tariff is “Net” – we will use the example rate of 12c although this varies between retailers (it is worth shopping around to see who can offer you the best rate). It is not paid for every kWh generated by your Solar PV system. What this means is that the 12c is only paid for the excess solar energy that you do not use and is fed back to the grid.

TO PUT IT SIMPLY, IF YOU USE THE SOLAR POWER AS IT'S PRODUCED, THAT'S THE POWER YOU WOULD NORMALLY HAVE TO PAY THE FULL PRICE FOR E.G. 27 CENTS/KWH (THIS IS WHERE THE BIG SAVINGS ARE). IF YOU DON'T USE THE SOLAR POWER, IT THEN GOES BACK TO THE GRID AND YOU ARE CREDITED 12 CENTS/KWH ON YOUR ELECTRICITY BILL.

🔦 Home Energy Saving Tips:

Therefore, it makes much more sense to use the electricity (generated by your solar panels) during the day. By using the light photons, your panels will be generating power in daylight hours. Although it depends in part on the tilt and orientation of your solar panels, generally speaking the best time to run your high energy drawing appliances is between 10am and 3pm, when the sun is high in the sky. For example, your clothes dryer, dishwasher, oven, washing machine, vacuum cleaners, pool heater etc.

If you are home during daylight hours, then it's easy whereas, if you are not then it may mean that you have to change your routines, or put some of your appliances on a timer as it will save you a lot of power and money in the long term.

