



Fact Sheet

Australia is not on track to achieve its renewable target; the demand side can help

Not enough renewable projects are going into construction

Addressing grid connection and network tariff barriers could help unlock more commercial & industrial solar and storage

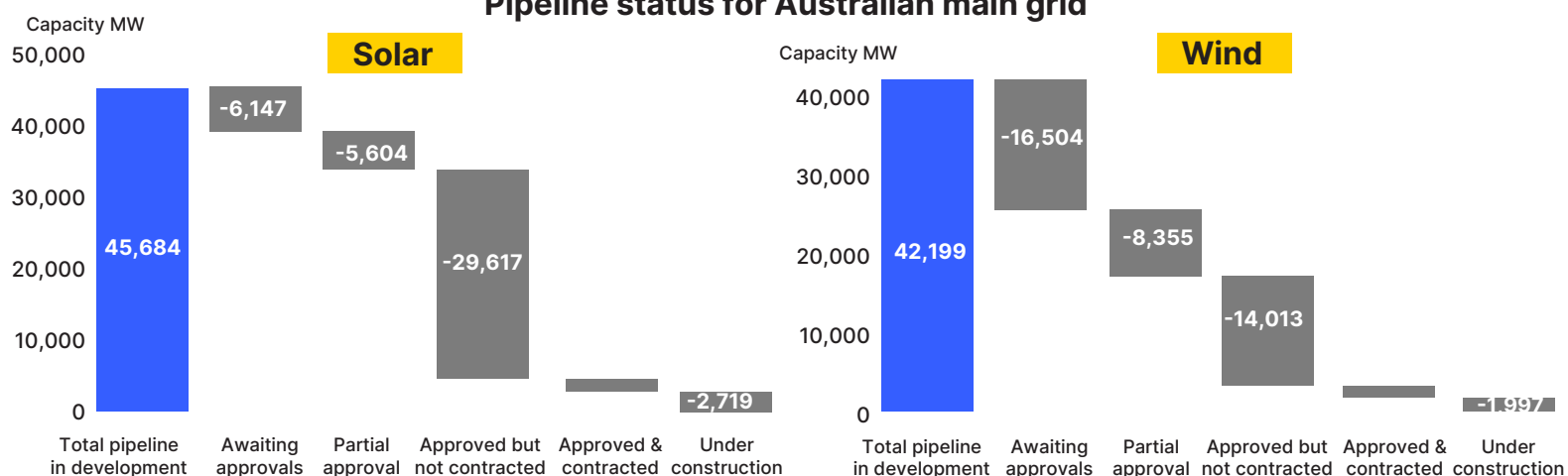
Residential flexibility remains mostly untapped with a large value potential

More than enough projects in the pipeline, not enough going to construction

IEEFA's new *Australian Renewable Energy Scorecard* is an interactive data tool which tracks the progress of renewable energy projects across Australia, updated quarterly. The first edition found:

- There are more than enough wind, solar and battery projects in the pipeline to meet 2030 targets
- However, the amount under construction is significantly lower than what is needed
- A lack of projects with power purchase agreements (PPAs) is a key impediment
- Approvals are a big obstacle for wind projects, but solar projects tend to get stuck post-approval
- Many projects that received Capacity Investment Scheme support are stuck in early stages

Pipeline status for Australian main grid



Installations of rooftop solar and household batteries experienced record high levels over the second quarter of 2026.



Converting approved projects into construction would deliver 127,000 job-years of construction work, and \$44 billion in investment.

**READ
THE
REPORTS**



**Australian
Renewable Energy
Scorecard**



**Unlocking the clean
energy potential of
Australian business
rooftops**



**Growing the
benefits of
solar sharer
tariffs**

Commercial & industrial solar and storage has large untapped potential

Installed commercial & industrial (C&I) solar capacity is 5.6GW, with 17-31GW forecast by 2050, and the technical rooftop potential could be even higher.

The government recently expanded financial incentives to mid-sized solar systems, which will help improve the business case for commercial and industrial solar. Several barriers remain:

BARRIERS

RECOMMENDATIONS



1 Business-level investment challenges

A comprehensive, long-term policy framework to drive decarbonisation of the electricity sector or C&I solar and storage incentives



2 Complex, inconsistent network tariffs

Reviewed and standardised network tariffs



3 Inconsistent, slow and unpredictable grid connection processes

Streamlined grid connection process



4 Uneven playing field for DER-provided network services

Independently led, first-principles review of the economic regulation of electricity distribution networks

Residential flexibility could offer a lot more value to the grid



Home batteries could export more to the grid



More electrified households means more value from solar and batteries



Peak demand could be reduced by incentives for demand flexibility and thermal efficiency

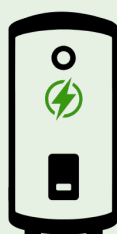
Solar sharer tariffs that provide free electricity in the middle of the day could save consumers hundreds or thousands of dollars a year, if combined with actions to shift electricity use.

If regulatory barriers were removed, plug-in batteries in apartments could offer savings without solar.

Premium evening feed-in tariffs could be a good complement in future.

Potential annual power bill savings from selected technologies with solar sharer tariffs (AUD)

Flexible use of electric hot water



\$609-\$1,028



Apartment with a small battery

\$366-\$644

Flexible EV charging



\$734-\$2,257

About IEEFA

The Institute for Energy Economics and Financial Analysis (IEEFA) examines issues related to energy markets, trends and policies. The Institute's mission is to accelerate the transition to a diverse, sustainable and profitable energy economy.

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