Home battery rebate drops on 1 January, but Australians may need to act by November

Media release, 2 September 2026

Australian households weighing up a home battery have a narrower window than the calendar suggests. The federal battery discount steps down on 1 January 2027, and because the discount is fixed by the date a battery is installed rather than the date a quote is signed, a decision made in December may be too late to secure the current rate.

The Australian Government's Cheaper Home Batteries Program takes around 30 per cent off an eligible battery through small-scale technology certificates, or STCs, which the installer deducts from the invoice. The number of certificates a battery earns is set by an STC factor that already dropped and became tiered by battery size on 1 May 2026. The factor falls again from 6.8 to 5.7 on 1 January 2027, then to 5.2 from July 2027, and keeps stepping down every six months until the program closes at the end of 2030.

Founder of Energy Rebate Check Josh Liptak said the timing rule is the part households most often miss.

"The date that matters is the day the battery is switched on, not the day you accept a quote," Mr Liptak said.

"Someone who signs in December and is installed in the second week of January gets the January rate. Installers are already quoting several weeks between order and installation, and that stretches out as the end of the year gets busier. If you want the 2026 rate, you have to work backwards from 31 December, and for most people that puts the real decision point in November."

What the change is worth

The discount is calculated on a battery's usable capacity. The first 14 kilowatt hours earn the full STC factor, capacity from 14 to 28 kilowatt hours earns 60 per cent of it and capacity from 28 to 50 kilowatt hours earns 15 per cent.

On a 13.5 kilowatt hour battery, one of the most common household sizes, the drop from 6.8 to 5.7 is about 15 fewer certificates. At the certificate values seen in the market this year, that is roughly $550 less support: about $3,400 for an installation completed by December compared with about $2,850 for the same battery installed in January. Larger batteries lose more in dollar terms, smaller batteries less. Actual figures depend on the certificate price on the day and on the installer's fees.

Households can see the current and January figures for their own battery size and postcode with the Energy Rebate Check battery rebate calculator, which also shows any state incentive that applies at that address.

"The gap between the two rates is the number to have in front of you before you compare quotes," Mr Liptak said. "It is not a reason to rush, but it is a reason to start early. The wrong battery installed quickly is a worse outcome than the right battery at the January rate."

The regulator's warning to installers

Ahead of the May 2026 change, the Clean Energy Regulator wrote to solar and battery retailers reminding them that quotes must reflect the rate that will apply on the expected installation date, and warned against promising installations before a deadline that could not be met. The regulator's advice to customers was to confirm in writing that the installation can be completed in time and that the quoted price will be honoured if it cannot.

Mr Liptak said the same questions apply now.

"Ask the installer to show the STC discount as its own line on the quote, tell you which factor they have assumed, and put in writing what happens to the price if the job slips into January. A good installer will answer all three without hesitation."

State incentives sit on top

The federal discount applies in every state and territory and has no income test. New South Wales pays an additional one-off incentive for connecting a battery to a virtual power plant, Western Australia pays a state rebate of up to $1,300 for Synergy customers and $3,800 for Horizon Power customers, and South Australia's scheme is currently limited to priority households. Victoria, Queensland, Tasmania and the Northern Territory rely on the federal discount alone after their own schemes closed.

A state by state guide to what is open, what has closed and how the layers combine is in the Energy Rebate Check solar battery rebate guide at https://energyrebatecheck.com.au/solar-battery-rebate/

The program does not end on 1 January. Eligible households installing in 2027 will still receive a discount, at the lower rate, and the Australian Government has said the step-downs are designed to track falling battery prices so that the discount stays at around 30 per cent of a typical system's cost.

"Batteries are a ten to fifteen year purchase," Mr Liptak said. "The rebate date should set the pace of the decision, not make it for you. Size the battery for your evening usage, check the numbers after the discount, and if it stacks up, get the installation date in writing before the calendar makes the choice for you."

Energy Rebate Check is a free rebate checker for Australian homes and businesses, with an energy plan comparison tool alongside it. It is independent and is not a government website. https://energyrebatecheck.com.au/

Media contact: hello@energyrebatecheck.com.au