UTILITY REGULATION AND COMPETITION OFFICE

Clarification Note - Non-Export Solar and Battery Systems (Track 2)

Issued by the Utility Regulation and Competition Office

23 June 2026

This note follows questions received from installers and consumers after publication of the 19th June 2026 Regulatory Statement and Guide on Customer Self-Consumption. It clarifies how the existing requirements apply to parallel, non-export (Track 2) systems, and in particular the means by which such a system demonstrates that it does not export to the grid. It does not create new rules. Where it touches the technical content of the T&D Code, it is read with that Code, and the binding instruments prevail.

What this note relates to

This note addresses the equipment and assurances required for a Track 2 (parallel, non-export) system to meet the framework's non-export and anti-islanding requirements, and confirms that an independent reverse-power relay is not a mandatory requirement for these systems.

Clarification

The Regulatory Statement and Guide were issued to set out how the existing framework applies to consumer self-consumption; they do not impose requirements beyond those established by the framework. This applies equally to non-export (Track 2) systems.

The framework's requirement that would relate to a Track 2 system is to ensure a single outcome: that the system does not send power to the grid in normal operation, and ceases to energise the grid when grid supply is lost. This is a requirement as to the result, achieved through certified, non-islanding equipment and confirmed at commissioning. A reverse-power relay is one means by which that outcome may be assured where a physical safeguard is appropriate; it is not, and was not stated to be, a requirement imposed by the Office. The 2025 T&D Code does not require such a relay for these systems.

Accordingly, this note confirms and gives further clarity to the position: the framework's non-export requirement may be satisfied by certified inverter or power-control equipment set and locked to zero export, without a separate reverse-power relay.

The framework requirements

The 2025 T&D Code requires a parallel non-export system to:

- use certified, non-islanding equipment that passes the anti-islanding test (UL 1741 / IEEE 1547 / IEEE 929);
- keep those protection settings unchanged after certification;
- have a visible, lockable disconnect; and
- pass a commissioning check confirming that the system stops generating when the connection point is opened.

A directional/reverse-power relay is referenced only for much larger generation (above 300 kVA), and even there it is discretionary.

What this means in practice

Where an installer can demonstrate an inverter or power-control system that is certified, set and locked to zero export, with anti-islanding protection unchanged and confirmed at commissioning, the non-export requirement is met without a separate reverse-power relay. An additional safeguard may be appropriate only in specific cases where that assurance cannot otherwise be confirmed. This keeps the requirement proportionate to the means available to assure the non-export outcome.

A related point on backup power

A typical solar-only system will switch off when the grid goes down - this is a safety feature. A system with battery storage and a backup (islanding) capability can continue to power the home during an outage, because it first disconnects the premises from the grid and then supplies the home separately, so nothing flows back to the network. Consumers who want power during outages should confirm with their installer that battery backup with islanding is included.

Where to find the rules

The binding requirements and expectations are set out in the T&D Code, CUC's T&D Licence, the Electricity Sector Regulation Act, the Utility Regulation and Competition Act, and the National Energy Policy 2024-2045. This note and the Regulatory Statement and Guide explain how those instruments apply to non-export self-consumption.