

# Feed-in Tariffs - FAQs

## What's it all about?

Feed-in Tariffs (FITs) aim to make renewable energy technologies easily available to every person or organisation. The tariffs are paid for 20 years, allowing the industry to invest and expand production, bringing down the price of renewable energy technologies. The scheme also allows greater choice and competition to develop in the energy sector - everyone's home, office, school or farm can become a mini power station!

The scheme supports a wide range of renewable energy technologies. This is because we need to invest equally in all potential forms of renewable energy generation for the future.

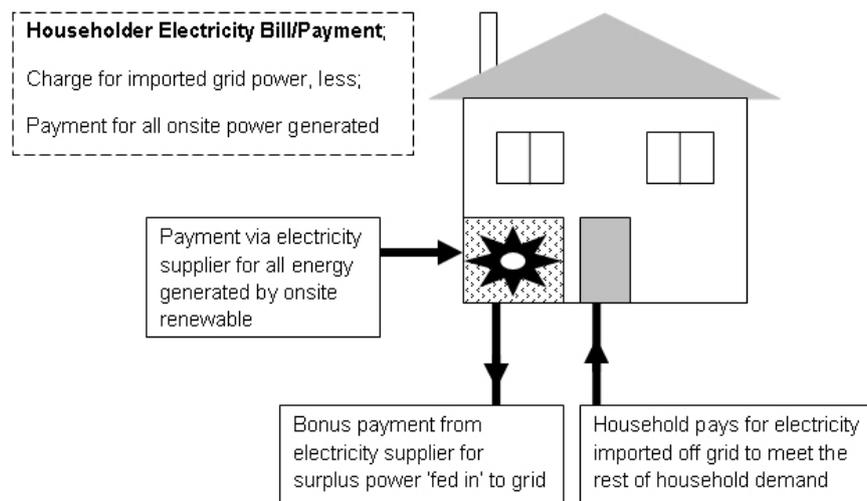
The scheme also complements large-scale renewable energy generation and helps to reduce the UK's fast growing dependency on fossil fuel imports. Finally the scheme will help tackle climate change, not just by reducing UK CO<sub>2</sub> emissions, but by helping to develop and bring down the costs of the technologies needed to tackle climate change globally. In the first 3 years of the scheme over 410,000 households and businesses have benefitted from being active players in the UK energy market. The Government has also produced a definition for 'community energy projects' so that specific measures can be developed for these under the Feed-in Tariff scheme.

## What is the Feed-in Tariff?

It is a payment made to the owner of a renewable energy system for every unit (kilowatt hour) of renewable electricity produced by the system. The scheme will also pay a bonus (3.3 - 4.64p/kWh) for power exported to the grid that is surplus to requirements in the home/office/building. This will encourage efficient use of electricity as the more power you save, the more you will earn.

Like other international schemes the UK scheme will be 'degressed'. This means that over time the Tariff payment offered to new joiners is reduced. This does not affect existing FIT beneficiaries, only those planning future installations.

In the UK, Tariffs are available for defined technologies up to 5MW in size.



## Could you advise me – is this a good quote?

The REA is a members only not-for-profit trade association. The REA is not a body that offers advice to the general public. A sister company – Renewable Energy Assurance Limited (REAL) runs a consumer code backed by Trading Standards Institute, for suppliers of renewable systems, whose website has a section for domestic consumers. This covers why guidance is needed, the reasons for installing sustainable energy equipment and what a consumer should expect from the company they are dealing with. Consumers need to use RECC code & MCS accredited installers, if they are to obtain the FIT on their installation. Full details are on the website; [www.recc.org.uk](http://www.recc.org.uk).

## Where do I go for more information?

For more information please contact the following organisations;

**Householders:** Energy Saving Trust, Tel: 0300 123 1234

[www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

**Businesses:** Ofgem, Tel: 0207 901 7310

[www.ofgem.gov.uk](http://www.ofgem.gov.uk)



**The voice of the UK Renewables Industry**



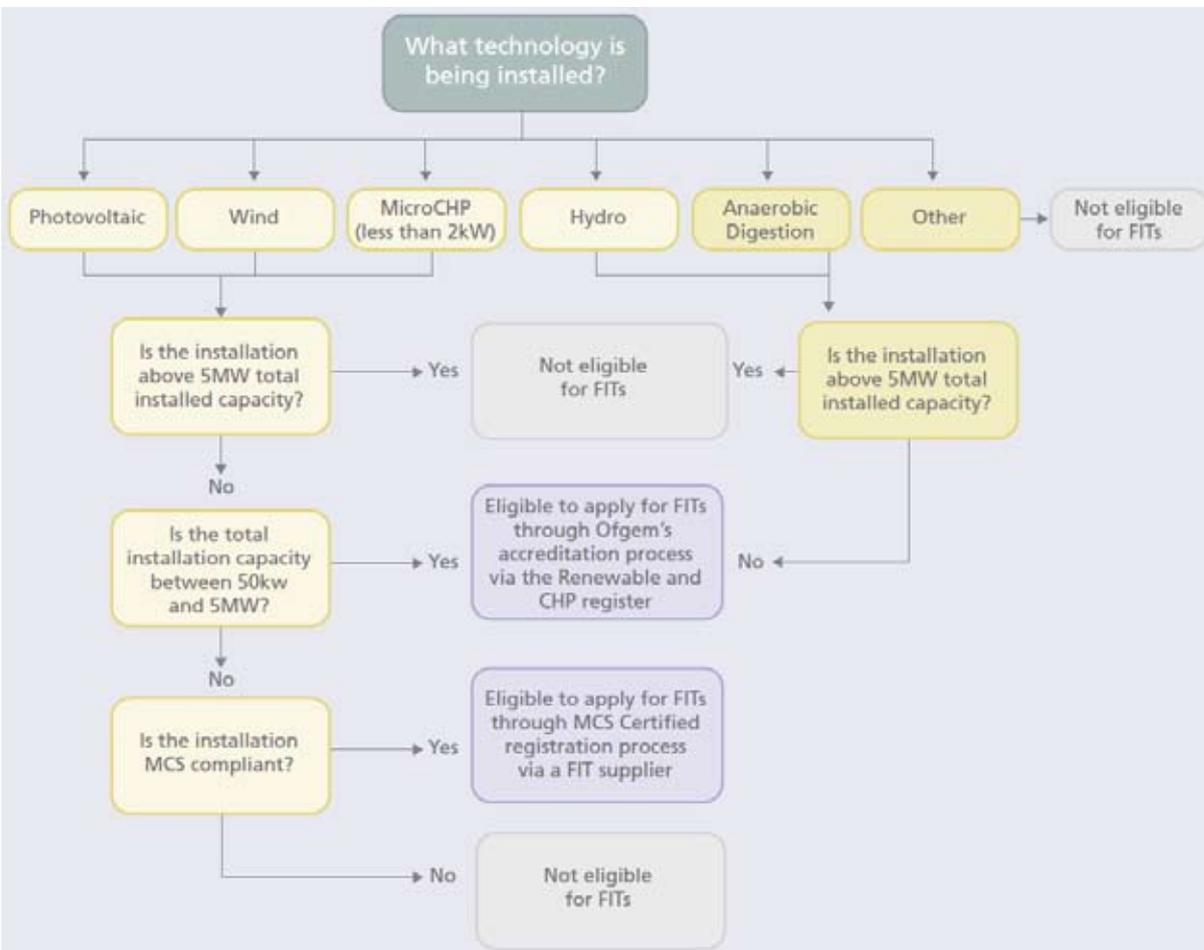
## Basic Eligibility Criteria for FITs

Only Eligible Installations within GB will be accredited under the FITs.

The FITs Order 2010 defines “Eligible Low Carbon Energy Sources” for the purposes of the FIT Scheme as the following sources of energy or technology; Anaerobic Digestion, Hydro Generating Station, Combined Heat and Power (CHP) with an electrical capacity of 2kW or less, Solar Photovoltaic (PV), and Wind Turbines.

To be eligible to join the FITs, an installation must not exceed a Declared Net Capacity of 5MW (2kW in the case of CHP). If the installation is 50kW or below, all technologies except Anaerobic Digestion will need to be an MCS-Certified Installation. Anaerobic Digestion and all other technologies over 50kW must be ROO-FIT Accredited. From December 2012 the Government introduced a system of preliminary accreditation for PV and Wind projects over 50kW and for all Anaerobic Digestion and Hydro projects, including tariff guarantees for fixed periods.

Buildings on which, or, in some cases, to which a PV system is to be connected need to have attained an energy performance rating (EPC) of D or higher to qualify for the full tariff. This includes all residential and many non-domestic buildings. If a building does not meet EPC level D then the installation receives the lowest PV tariff. Buildings that are outside the scope of an EPC<sup>1</sup> will receive a full tariff regardless of the building’s energy efficiency. There is also a 10% reduction in the tariff if the recipient of the tariff receives tariff payments from over 25 installations on different sites (reduced tariff applies from the 26th installation).



PV installations must also meet the EPC level D requirement to receive the full tariff, unless exempt (see above).

<sup>1</sup> Directive 2002/91/EC on the energy performance of buildings defines “building” as “a roofed construction having walls, for which energy is used to condition the indoor climate; a building may refer to the building as a whole or parts thereof that have been designed or altered to be used separately”



## What are the Feed-in Tariff rates?

The tariff rates for new installations that apply in September 2013 are set out in the following tables. The Government has introduced a mechanism to reduce future tariffs based on the level of market uptake of the technologies. Tariffs are reviewed quarterly but the most recent review led to no changes, so the tariff applies until the end of 2013.

### Feed-in Tariff rates for Photovoltaics (PV)

PV Band (kW)	Current Tariff 1 Jul - 30 Sep 2013 (p/kWh)	Future Tariff 1 Oct - 31 Dec 2013 (p/kWh)
<4kW (new build)	14.90	14.90
<4kW (retrofit)	14.90	14.90
>4 - 10kW	13.50	13.50
>10 - 50kW	12.57	12.57
>50 - 100kW	11.10	11.10
>100 - 150kW	11.10	11.10
>150 - 250kW	10.62	10.62
>250 - 5,000kW	6.85	6.85
Stand-alone	6.85	6.85
Export tariff	4.64	4.64

#### Notes

If the energy efficiency requirement is not met, installations receive the stand-alone tariff  
The 'multi-installation' tariff is 90% of the tariffs above  
Tariffs last 20 years and are adjusted annually by the retail price index (RPI)

### Feed-in Tariff rates for other technologies

Technology	Band (kW)	Current Tariff 1 Dec 2012 - 31 Mar 2014 (p/kWh)
<b>Anaerobic digestion</b>	<250kW	15.16
	>250 - 500kW	14.02
	>500 - 5,000kW*	9.24
<b>Hydropower</b>	<15kW	21.65
	>15 - 100kW	20.21
	>100 - 500kW	15.98
	>500 - 2,000kW	12.48
	>2,000 - 5,000kW*	3.23*
<b>Wind power</b>	<1.5kW	21.65
	>1.5 - 15kW	21.65
	>15 - 100kW	21.65
	>100 - 500kW	18.04
	>500 - 1,500kW	9.79
	>1,500 - 5,000kW*	4.15*
<b>Micro-CHP</b>	<2kW	12.89
<b>All technologies</b>	Export tariff	4.64

#### Notes

\* Tariffs for these bands applied from 1 April 2013  
Tariffs last 20 years and are adjusted annually by the retail price index (RPI)

### How do I claim the FITs?

- All large electricity suppliers are obliged to accept eligible generators that they supply. Small suppliers have the right to refuse prospective generators if the installed capacity is more than 50kW.
- To claim the FITs support for wind, solar PV or hydro with a capacity of 50kW or less, both the product and installer must be certified under the Microgeneration Certification Scheme (MCS). If the installation is recognised by the MCS you can then approach a supplier offering FITs, who will manage the process of registration for you.



- For PV attached or wired to a building a valid EPC level D certificate will also need to accompany the application for FITs, or proof provided that an EPC cannot be obtained.
- A list of certified installers and products, searchable by location is available on the Microgeneration Certification Scheme website. [www.microgenerationcertification.org](http://www.microgenerationcertification.org)
- To claim the FITs for all other technologies and scales you will need to seek accreditation from Ofgem. Once accredited you can approach a supplier offering FITs.
- In most cases the eligibility for FITs will be affected by the receipt of other public body grants. For more information on grants and the interaction with the FITs please see the Energy Saving Trust website. [www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

### Can PV be used to improve my building to reach EPC level D?

In some cases the PV installation may be sufficient to raise a building's energy performance to level D, in others additional measures may also be required. The building must have achieved level D at the time of FITs application and a valid level D certificate must accompany the application. Any energy efficiency improvement to the building made after initial FITs application, will not alter the tariff level.

### Is this the same as a 'green tariff'?

No - FITs apply when the user is producing their own renewable energy.

A so-called 'green tariff' is what users pay for the supply of energy by an established energy supply company, when the energy company is supplying that energy from renewable sources (or at least using more sustainable resources than the normal supply).

### Is this the same as the Renewables Obligation (RO)?

No - the Renewables Obligation applies to energy supply companies and gives them an incentive to increase the proportion of renewable energy they supply. As mentioned below, renewable energy installations will not be allowed to benefit from both the Feed-in Tariffs & the RO.

### How does it work for a typical householder?

An accredited installer will need to install technologies accredited by the Microgeneration Certification Scheme. For PV the householder will also need to ensure the house meets the level D energy efficiency requirement. Once registered, the owner will then be paid, via their electricity supplier, for all the renewable power they generate, with a bonus for surplus power exported to the grid.

The owner of the technology can stick with one supplier for everything, or they can have different contracts for generation and export with different suppliers. Smart metering will make all of this easy to do, however, interim arrangements will be needed until smart meters are rolled out.

### Where do I go for more information?

For more detailed information please contact the following organisations:

**Householders:** Energy Saving Trust, Tel: 0300 123 1234, [www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

**Businesses:** Ofgem, Tel: 020 7901 7310,  
<https://www.ofgem.gov.uk/environmental-programmes/feed-tariff-fit-scheme>

**Policy advice:** The Department of Energy and Climate Change's website has a wide range of information on the Feed-in Tariff scheme:  
[www.decc.gov.uk/en/content/cms/meeting\\_energy/Renewable\\_ener/feedin\\_tariff/feedin\\_tariff.aspx](http://www.decc.gov.uk/en/content/cms/meeting_energy/Renewable_ener/feedin_tariff/feedin_tariff.aspx)

The REA does not have the resources to deal with members of the public, but we hope this information is useful.

**DISCLAIMER:** This briefing does not include the full details of the FIT scheme & is for guidance only. REA accepts no responsibility for reliance upon it. It should therefore not be used as the basis for any purchasing decision. For full details, please contact Ofgem (details above) or see DECC's website.

