

# Replacing equipment under the Feed-in Tariff (FIT) scheme

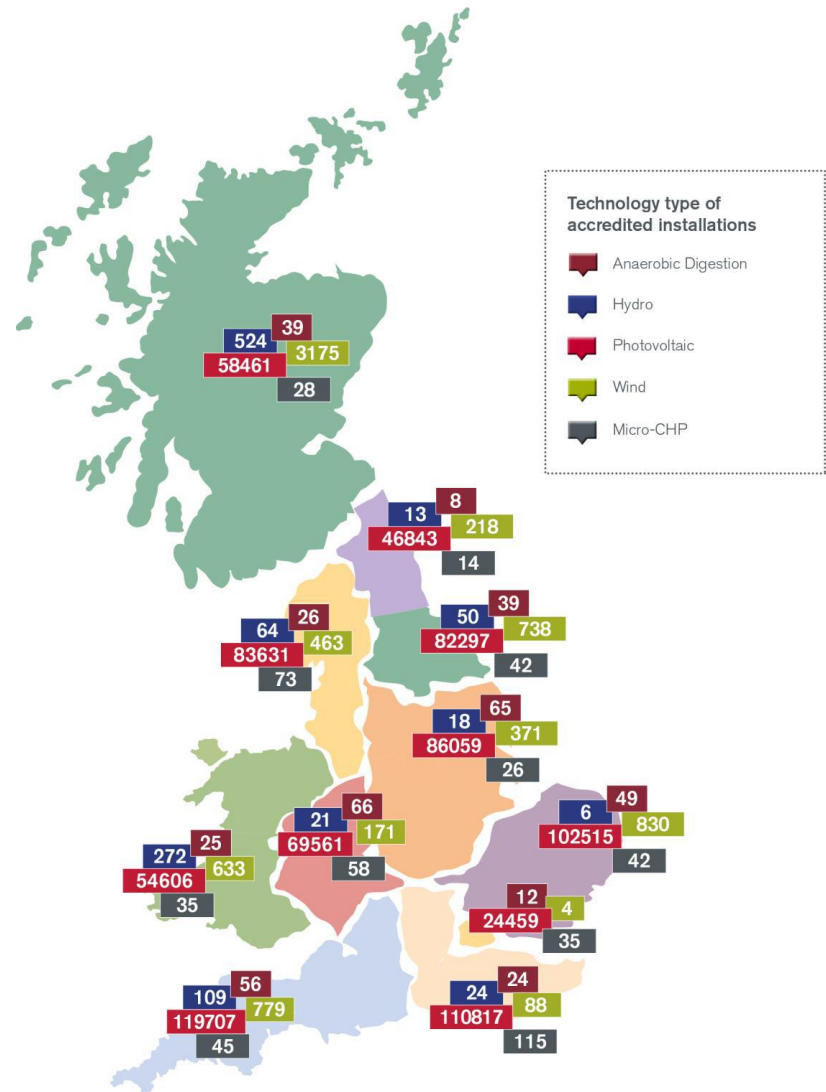




## What is the FIT?

- Payments for generation and export guaranteed for 20 years
- Supports 850k installations – mainly PV (839k)
- 401 AD installations
- Scheme now closed to new entrants
- Ofgem's role – application assessment, no legal/technical advice

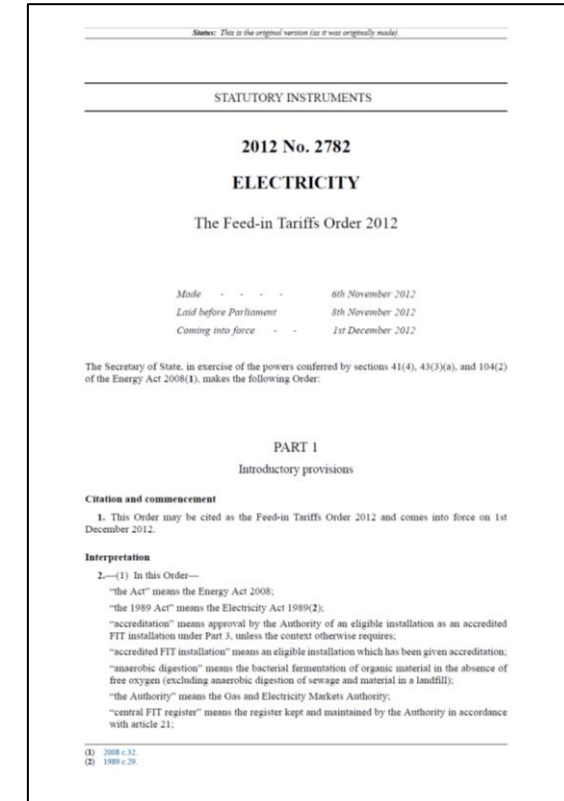
Region	Anaerobic digestion	
	Number of Installations	TIC (kW)
East Midlands	65	54,406
East of England	49	48,532
London	4	5,260
North East	8	8,708
North West	26	11,855
Scotland	39	17,950
South East	24	20,207
South West	56	29,544
Wales	25	14,784
West Midlands	66	36,916
Yorkshire and The Humber	39	28,970
<b>Total</b>	<b>401</b>	<b>277,131</b>





## Replacing equipment - What does the FIT legislation say?

- Underpinned by legislation
- Ofgem has powers to act in certain circumstances
- The FIT legislation defines:
  - Eligible installation
  - Plant
- 'Generating equipment' consultation decision for AD:



*1.4. We will view all engines, turbines and alternators (or any part thereof) of an eligible installation to be generating equipment. We will not consider any gas blowers, anaerobic digestion vessels, gas clean-up equipment and any associated pipe work to be generating equipment.*



## Scenarios assessed so far

- House fire, lightening strike, gale-force winds – complete PV installation destruction.  
**Accreditation withdrawn**
- Temporary PV removal for roof replacement – no generation for the period of roof construction, existing panels and associated equipment returned with no change in TIC.  
**Accreditation remained in place**
- Temporary removal of engine off-site for repair – no change in capacity, original engine returned to site following repair.  
**Accreditation remained in place**
- Meter replacement – no other changes to the installation,  
**Accreditation remained in place**





## **What does this mean for AD?**

- Case-by-case assessment upon completion of the works – focus on the specifics of the case
- Changes to an installation should be reported to the FIT Licensee and reflected as an amendment to the ROO-FIT accreditation application
- Changes in TIC – increase or reduced – for any period of time need to be notified and assessed by Ofgem
- Meter changes are fine
- Digester is not part of the eligible installation



## **What next?**

- Looking at replacing equipment under FIT – delayed due to Covid-19
- Changing focus of the issue over time
- Dependent on the outcome of our review, there are a number of potential next steps:
  - Do nothing
  - Amend guidance to reflect the scenarios we have encountered so far
  - Consult on possible changes to guidance
  - Legislative change
- Provide input in the Q&A after the presentations are all finished
- If you are considering making changes to your FIT accredited installation, consider the potential implications on your FIT accreditation.



## Smart Export Guarantee (SEG)

- Launched: 1 January 2020
- Purpose: for small-scale low-carbon generators to receive payment from a licensed electricity supplier for any electricity they export to the grid
- Doesn't directly replace the FIT
  - Tariffs set by suppliers >0p/kWh
  - No set payment duration
- Speak to your supplier to apply
- More information:  
<https://www.ofgem.gov.uk/environmental-programmes/smart-export-guarantee-seg>

Tariff Name	Tariff Type	Tariff rate
Octopus Energy	Outgoing Fixed	5.5p
E.ON Energy	Fix & Export Exclusive	5.5p
Bulb Energy	Export Payments	5.38p
OVO Energy	OVO SEG Tariff	4.0p
ScottishPower	Smart Export Variable Tariff	4.0p
SSE	Smart Export Tariff	3.5p
EDF Energy	Export+Earn	3.5p
Shell Energy	SEG V1 Tariff	3.5p
Green Network Energy	SEG Tariff	3.5p
British Gas	Export & Earn Flex	3.2p
E.ON Energy	Fix & Export	3.0p
Utilita	Smart Export Guarantee	3.0p
Avro	Smart Export Tariff	3.0p
Utility Warehouse	UW Smart Export Guarantee	2.0p
E	E SEG January2020v.1	1.0p

Source: <https://www.solar-trade.org.uk/seg/>



**Our core purpose is to ensure that all consumers can get good value and service from the energy market.  
In support of this we favour market solutions where practical, incentive regulation for monopolies and an approach that seeks to enable innovation and beneficial change whilst protecting consumers.**

**We will ensure that Ofgem will operate as an efficient organisation, driven by skilled and empowered staff, that will act quickly, predictably and effectively in the consumer interest, based on independent and transparent insight into consumers' experiences and the operation of energy systems and markets.**