

Feed-in Tariffs – Your Questions Answered

How much could I get paid under the Feed-in Tariff?

Table of generation tariffs to 2020

Technology	Scale Scheme Year	Tariff level for new installations in period (p/kWh) [NB tariffs will be inflated annually]											Tariff lifetime (years)	
		1 1/4/10 – 31/3/11	2 to 31/3/12	3 to 31/3/13	4 to 31/3/14	5 to 31/3/15	6 to 31/3/16	7 to 31/3/17	8 to 31/3/18	9 to 31/3/19	10 to 31/3/20	11 to 31/3/21		
Anaerobic digestion	≤500kW	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	20
Anaerobic digestion	>500kW	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	20
Hydro	≤15 kW	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	19.9	20
Hydro	>15-100 kW	17.8	17.8	17.8	17.8	17.8	17.8	17.8	17.8	17.8	17.8	17.8	17.8	20
Hydro	>100 kW-2 MW	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	20
Hydro	>2 MW – 5 MW	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	20
MicroCHP pilot*	≤2 kW*	10*	10*	10*	10*	10*	10*	10*	10*	10*	10*	10*	10*	10
PV	≤4 kW (new build**)	36.1	36.1	33.0	30.2	27.6	25.1	22.9	20.8	19.0	17.2	15.7	15.7	25
PV	≤4 kW (retrofit**)	41.3	41.3	37.8	34.6	31.6	28.8	26.2	23.8	21.7	19.7	18.0	18.0	25
PV	>4-10 kW	36.1	36.1	33.0	30.2	27.6	25.1	22.9	20.8	19.0	17.2	15.7	15.7	25
PV	>10-100 kW	31.4	31.4	28.7	26.3	24.0	21.9	19.9	18.1	16.5	15.0	13.6	13.6	25
PV	>100kW-5MW	29.3	29.3	26.8	24.5	22.4	20.4	18.6	16.9	15.4	14.0	12.7	12.7	25
PV	Stand alone system**	29.3	29.3	26.8	24.5	22.4	20.4	18.6	16.9	15.4	14.0	12.7	12.7	25
Wind	≤1.5kW	34.5	34.5	32.6	30.8	29.1	27.5	26.0	24.6	23.2	21.9	20.7	20.7	20
Wind	>1.5-15kW	26.7	26.7	25.5	24.3	23.2	22.2	21.2	20.2	19.3	18.4	17.6	17.6	20
Wind	>15-100kW	24.1	24.1	23.0	21.9	20.9	20.0	19.1	18.2	17.4	16.6	15.9	15.9	20
Wind	>100-500kW	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	20
Wind	>500kW-1.5MW	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	20
Wind	>1.5MW-5MW	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	20
Existing microgenerators transferred from the RO		9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	to 2027

* Note the microCHP pilot will support up to 30,000 installations with a review to start when the 12,000th installation has occurred

** "Retrofit" means installed on a building which is already occupied ; "New Build" means where installed on a new building before first occupation ; "Stand-alone" means not attached to a building and not wired to provide electricity to an occupied building

Is the Feed in Tariff replacing the Renewable Obligation or ROCs?

The feed-in tariffs (FITs) will work alongside the Renewables Obligation, which will remain the primary system to help boost the growth of large-scale renewable electricity Generation

What type of generators is the Feed-in Tariff aiming to support?

The FITs scheme is intended to encourage the uptake of additional small scale low carbon electricity generation, particularly by individuals, householders, organisations, businesses and communities who have not traditionally had a role to play in the electricity market other than as consumers.

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What will the FiT do that the ROC couldn't?

For the types of people investing in the smaller scale technologies, The FiT will deliver a mechanism which is easier to understand and more predictable than the Renewables Obligation. It will deliver greater financial reward required to inspire uptake of the smaller scale and more expensive technologies.

What is the FiT expecting to achieve?

It is expected that by 2020 the scheme will support over 750,000 small scale low carbon electricity installations and will have saved 7 million tonnes of carbon dioxide.

What is the FiT payment based on?

The FiT will consist of two elements of payment. The first element is a **generation tariff** that varies in amount according to the type of technology and scale, and will be paid for every kilowatt hour (kWh) of electricity generated and metered by a generator. This generation tariff will be paid regardless of whether the electricity is used onsite or exported to the local electricity network.

The second element is an **export tariff** which will either be metered and paid as a guaranteed amount that generators are eligible for, or will, in the case of very small generation, be estimated based on a proportion of the the total generation. This will avoid the need for a meter that measures how much electricity is exported, which is an expensive process.

Who will pay me my FiT?

Licensed electricity suppliers such as the companies from whom you buy your electricity will be able to pay your FiT. Good Energy already pays over 1000 independent renewable generators for the energy they produce and is well equipped to service new FiT Customers.

How much will I get paid for the electricity I export to the local grid?

Generators have a choice: They can either opt to receive a guaranteed payment of 3p per unit for electricity they export, or they can choose to opt out of this set figure and enter a contract with a power purchaser and receive a price for their exported electricity based on the market rate. NOTE it is likely that the smallest generators (below 6kW) will find it simple to opt for the set price of 3p per unit as the amount of electricity they will be exporting is likely to be very low.

As a renewable generator that uses biomass to power my system, am I eligible for FiT?

The FiT will not initially support solid and liquid biomass technologies, though these will continue to be supported under the Renewables Obligation at all scales

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What size Generators will the FiT support?

The specified maximum capacity for the scheme will be set at 5 megawatts (MW). When the scheme is launched it will support new anaerobic digestion, hydro, solar photovoltaic (PV) and wind projects up to that 5MW limit, with differing generation tariffs proposed for different scales of each of those technologies.

Will the FiT support Micro CHP?

FiT will support the first 30,000 micro combined heat and power (mCHP) installations with an electrical capacity of 2 kilowatts (kW) or less.

Does my generator need be an accredited product to be eligible for the FiT?

Wind, solar PV and hydro projects of 50kW or less, and microCHP projects supported through the pilot, will have to use Microgeneration Certification Scheme (MCS) eligible products installed by MCS accredited installers to be eligible for FITs support. This requirement does not apply to those microgenerators transferring to FITs having already gained accreditation under the RO.

I installed my generator before 15th July 2009 and it is not accredited under the Renewable Obligation – am I eligible to receive FiT payments?

Any installation completed before 15 July 2009 that had not applied for accreditation under the Renewables Obligation before this date will not be eligible for financial support through FIT.

Does my generator need be installed by an accredited installer to be eligible for the FiT?

Wind, solar PV and hydro projects of 50kW or less, and microCHP projects supported through the pilot, will have to use Microgeneration Certification Scheme (MCS) eligible products installed by MCS accredited installers to be eligible for FITs support. This requirement does not apply to those microgenerators transferring to FITs having already gained accreditation under the RO.

If my generator is not an MCS accredited product or installed by and MCS accredited installer but it is accredited under the Renewable Obligation, am I eligible for FiT?

For those microgenerators transferring to FITs having already gained accreditation under the RO, MCS accreditation is not required but you will have to submit a transfer application.

As a new microgenerator, how do I register for FiT?

As part of the installation your MCS installer has the duty to submit the required information to the Microgeneration Certification Scheme and this will form the basis of your installations FIT registration.

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As a new Generator larger than 50kW, how do I register for FiT?

Generators larger than 50kW in scale must register their installation through a process based on the existing Renewables Obligation process, known as the ROO-FIT process, in order to be eligible for FIT support. [Ofgem guidance to generators](#)

As a generator, can I arrange for my payments to be made to someone other than me?

Generators may, if they wish, assign the rights to their FIT payments to another body through a contractual arrangement. This may be useful to secure a bank loan, for example.

Will my FiT payments change in line with inflation?

All generation and export tariff payments will be linked to the Retail Price Index (RPI). Therefore if inflation increases, FIT payments will increase too.

Will I pay income tax on the money I receive through FiT?

For domestic properties generating electricity mainly for their own use, your FIT payment will not be deemed taxable income for the purposes of income tax. If your generator is a commercial operation your FIT income will be taxed.

Why are different technologies receiving different levels of payment for their generation?

Tariffs are set through consideration of technology costs and electricity generation expectations at different scales, and are set to deliver an approximate rate of return of 5-8% for well sited installations.

What does 'Degression' mean?

Degression means a (percentage) reduction in the payment generators are eligible to receive if they install their system in several years from now. For example, New build solar PV under 4kW will receive 36.1p per unit throughout their lifetime if they install in 2010 or 2011. However, in 2012 payment reduces to 33p per unit throughout its life. This is to encourage people to adopt the technology quickly and also to accommodate the likely fall in cost of solar PV systems as is associated with larger scales of economy.

As a microgenerator (under 50kW) can I choose the ROC instead of the FIT?

As of 1 April 2010, microgenerators using technologies that are eligible for financial support through the FIT, i.e. AD, hydro, solar PV and wind will not be able to access support through the RO.

As a generator larger than 50kW can I choose the ROC instead of the FIT?

Installations with a capacity greater than 50kW, or installations of any capacity in technologies not covered by FITs, will still be eligible to apply for support through the Renewables Obligation.

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As a microgenerator that installed a system before 15th July 2009 what FiT payment am I eligible for?

Microgenerators that had applied for accreditation under the RO before 15 July 2009 will join the FITs scheme at an RO transfer tariff when the scheme launches, and will continue to receive support through FITs until 2027 (the same duration of support as they would have received under the RO). The payments made will be 9p for total generation and 3p for exported units.

As a microgenerator accredited under the Renewable Obligation that installed a system after 15th July 2009 what FiT payment am I eligible for?

Microgenerators who applied for accreditation under the RO on or after 15 July 2009 and before 1 April 2010 will receive FIT at the appropriate tariff level for their scale and technology, and will receive support for 20 years (25 years for solar PV).

As a generator larger than 50kW that was accredited under the Renewable Obligation after 15th July 2009, can I choose between RO or FIT?

Installations greater than 50kW that are in technologies eligible for FITs and joined the RO after 15 July 2009 have a one-off opportunity of moving to FITs support. Those that installed before 15 July 2009 will not be eligible for FITs but will continue to be eligible for support through the RO.

As a generator larger than 50kW that was accredited under the Renewable Obligation before 15th July 2009, can I choose between RO or FIT?

Installations greater than 50kW that are in technologies eligible for FITs and joined the RO before 15 July 2009 are not eligible for FiT support but will continue to be eligible for support through the RO.

Where is the money for FiT coming from?

The overall costs of the scheme will be shared by all electricity supply companies supply each paying in proportion to their share of the electricity supply market. Therefore electricity consumers will pay for the FiT through their electricity bills.

Who is going to oversee, administrate and regulate the FiT?

Ofgem, the Office of Gas and Electricity Markets will be will act as the FITs scheme administrator, maintaining a central register of all FITs installations receiving support, referred to as the "Central FIT Register".

What date does the FiT begin?

The FITs scheme will start from 1 April 2010. In the run-up to the scheme information will be available for individuals, households, community groups and small business on how they will be able to benefit from the scheme. Good Energy will be providing access to this information through its website.