



# STOP PRESS BULLETIN - FEED IN TARIFF

The Government's long-awaited feed-in tariff scheme to support small-scale renewable electricity generation (the "FITs Scheme") came into force 1st April 2010. This bulletin highlights key aspects of the FITs Scheme which have now been clarified following the publication of the Feed-in Tariffs (Specified Maximum Capacity and Functions) Order 2010 and the modifications to the Standard Conditions of Electricity Supply Licences. For more detailed guidance and background information on the FITs Scheme, please [click here](#) to see our recent bulletin on Feed-in Tariffs.

The provisions of the Order and the modifications to electricity supply licences set out the Government's detailed plans for the FITs Scheme.

Below are selected highlights from the Order and supply licence modifications:

1. The FITs Scheme aims to support small-scale renewable electricity generation by requiring large electricity suppliers to pay consumers for any electricity they produce from renewable sources as well as any electricity exported back to the grid.
2. The FITs Scheme covers solar PV, wind, hydro and anaerobic digestion installations with a capacity of up to 5 megawatts. 30,000 micro CHP (up to 2 kilowatt capacity) installations will also be included as a trial.
3. The generation tariffs (covering any electricity produced by relevant installations whether consumed by the producer or not) for the first year will range from 41.3p per kilowatt hour (for small solar PV installations) down to 4.5p per kilowatt hour (for large hydro and wind installations).
4. The export tariff (covering any electricity produced and exported to the Grid) for the first year will be 3p per kilowatt hour for all types of installation.
5. Payments will be made to qualifying generators by electricity suppliers at least quarterly.
6. On or before 1 March each year (except this first year), Ofgem must publish details of the FIT payment rates which will be applicable for that year.
7. For installations with a capacity of less than 30 kilowatts (which do not have a registered export meter), the export tariff will be an estimated or deemed amount by reference to the amount of electricity generated. This deemed export amount is 50% (of electricity generated) in the first year for all types of installation, except hydro which is set at 75%.
8. Ofgem will establish a central FIT register containing information on each accredited installation.

**This bulletin summarises complicated issues and should not be relied upon in relation to specific matters. You are advised to take legal advice on particular problems and we will be happy to assist.**

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