

# Feed-in Tariff Update

In this newsletter, we provide an update on the first fifteen months of the Feed-in Tariff scheme. We give an overview of the latest figures for the number of installations that are now participating. This newsletter also gives an overview of the statistics in the first quarter of Year 2 (1 April – 30 June 2011). This newsletter is a quarterly publication.



## The Feed-in Tariff (FITs) scheme

- The scheme was introduced on 1 April 2010 to promote the uptake of small-scale renewable electricity generation.
- It requires participating licensed electricity suppliers (FIT Licensees) to pay tariffs to generators for electricity generated & exported.
- The scheme is applicable to a number of renewable technologies.
- All licensed electricity suppliers are required to make payments into Ofgem's levelisation fund, based on their market share of the GB electricity supply market.
- The levelisation fund is then redistributed to FIT Licensees that have made more payments than they would be required to by their market share contribution.
- FIT Licensees are responsible for registering eligible installations, processing generation data and making payments.
- Ofgem is responsible for running the behind the scenes administration of the FITs scheme, while DECC is responsible for the policy.

## Feed-in Tariff key figures - 30 June 2011

- ▶ **A total of 45,010 installed renewable installations were registered under the scheme from 1 April 2010.**
- ▶ **163.5 MW of total installed capacity was registered for FITs since 1 April 2010.**
- ▶ **A total of £10,101,593.26 total FIT payments were due to generators in the period 1 April – 30 June 2011.**

## Further information on FIT activity

The activity described in this newsletter relates to the first 15 months of the FIT scheme (1 April 2010 and 30 June 2011). For more up to date details on the FIT activity, please refer to the FIT Summary or FIT Installation Statistical Reports available from the Public Reports section of the Renewables and CHP Register:

**<https://www.renewablesandchp.ofgem.gov.uk>**

## FITs Activity last quarter (1 April - 30 June 2011)

More than 45,000 installations were registered under the Feed-in Tariff scheme from 1 April 2010 to 30 June 2011. Of this 45,000, more than a third of installations were registered within the last three months, highlighting a significant increase in the rate of installations registering under the scheme. A breakdown of the number of installations registered under the scheme each quarter (by technology) is shown in **Table 1**. As in previous quarters of the scheme, photovoltaic installations continue to represent the vast majority of newly registered installations at over 98 percent of all installations registered between 1 April to 30 June 2011. Additionally during this period a number of other technologies were registered, although the rate of registration of these technologies was slower in the last quarter than in the fourth quarter of the first year.

**Table 1:** Number of FIT installations by quarter, including installations migrated from the Renewables Obligation during that period. Figures are subject to change.

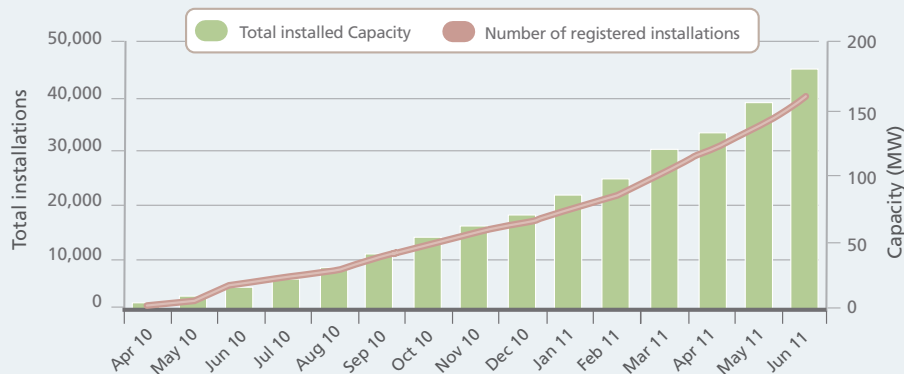
	Installations registered in Q1	Installations registered in Q2	Installations registered in Q3	Installations registered in Q4	Installations registered in Q5	Total
Hydro	4	109	48	45	14	220
Photovoltaic	2,699	7,818	6,666	11,381	14,536	43,100
Wind	60	633	329	318	187	1,527
MicroCHP	0	5	17	78	58	158
Anaerobic digestion	0	0	2	1	2	5
<b>Total</b>	<b>2,763</b>	<b>8,565</b>	<b>7,062</b>	<b>11,823</b>	<b>14,797</b>	<b>45,010</b>

## FITs Activity since 1 April 2010

**Chart 1** shows the cumulative growth in both the number of installations and the total installed capacity registered under the scheme since April 2010. The upward turn in the graph for both the number of installations and total capacity highlights the

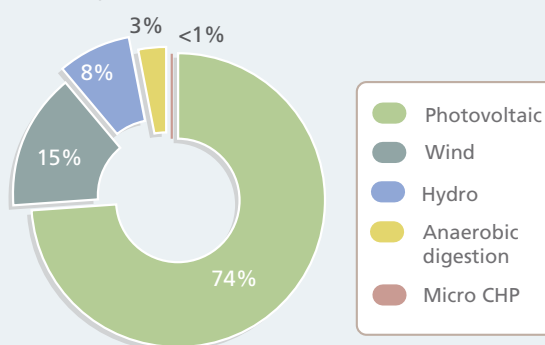
increasing volume of installations registered under the scheme in the most recent months. As of June 2011, more than 160MW of installed capacity had been registered under the scheme.

**Chart 1:** Registered FIT installations by number and total installed capacity (1 April 2010 - 30 June 2011)

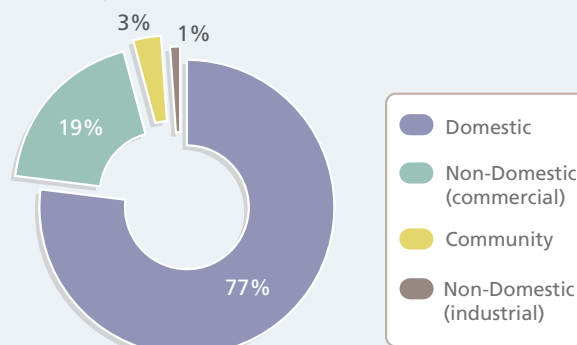


Charts 2 and 3 illustrate the breakdown in installed capacity of registered installations since 1 April 2010. **Chart 2** shows the percentage of total installed capacity of registered installations broken down by technology type. As is illustrated, photovoltaic installations make up the majority of installed capacity at 74 percent, while wind and hydro installations make up 15 and 8 percent respectively. The proportion of anaerobic digestion installations is 3 percent of total capacity.

**Chart 2:** Total installed capacity by technology type for 1 April 2010 - 30 June 2011



**Chart 3:** Total installed capacity by installation type for 1 April 2010 - 30 June 2011



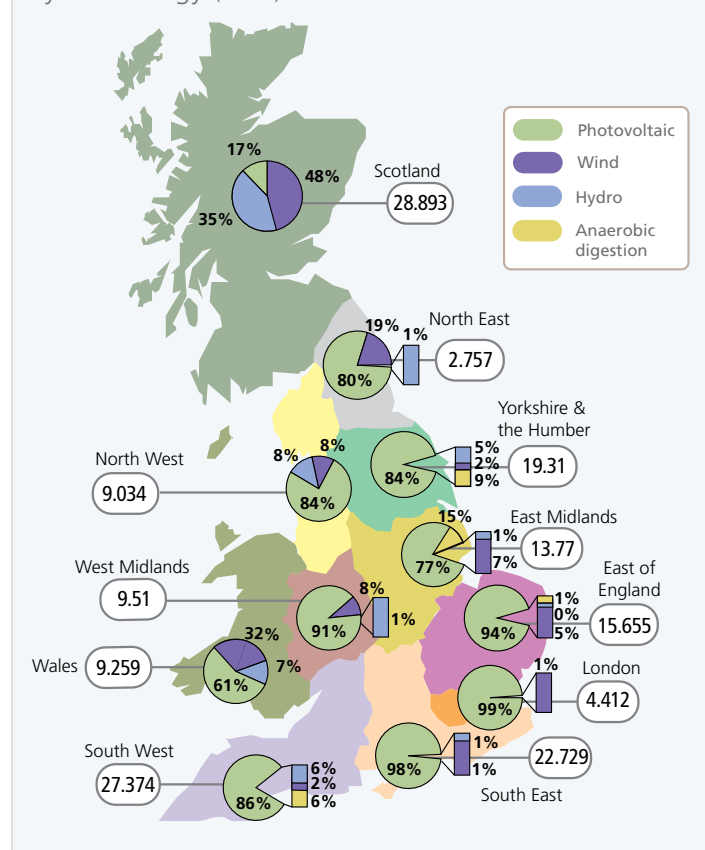
**Chart 3** represents the total installed capacity of registered installations by installation type since 1 April 2010. The share of installed capacity in the domestic sector is by far the largest at 77 percent of total registered capacity, with commercial capacity making up 19 percent of the total. Community and industrial installations make up the remaining 4 percent of capacity. The substantial

installed capacity of domestic installations can be explained by the large numbers of photovoltaic installations since 1 April 2010.

The total installed capacity of all registered installations as of 30 June 2011 was 163.5MW, an increase of 55MW from 1 April 2011.

## Regional breakdown of FITs activity - 1 April 2010 – 30 June 2011

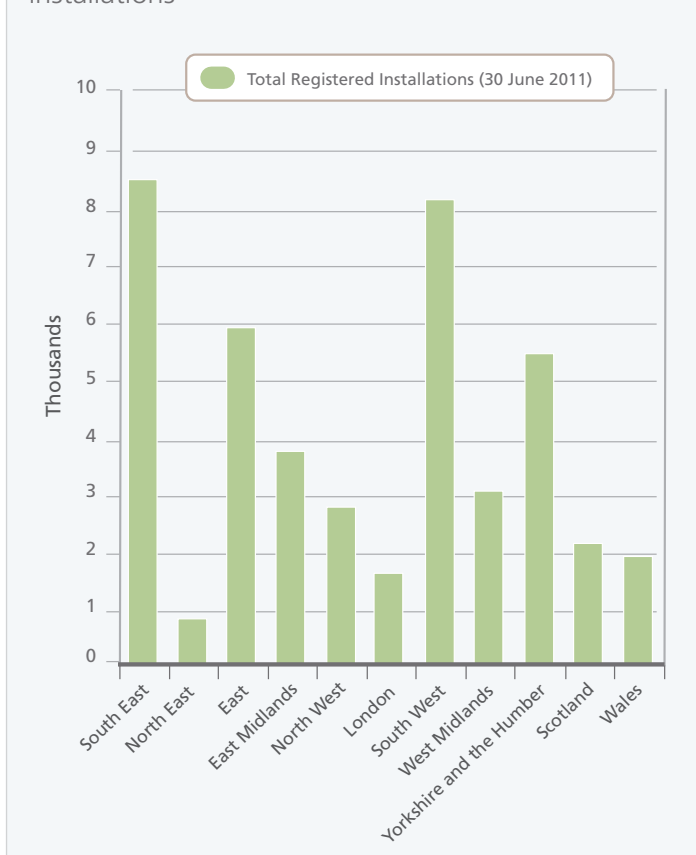
**Chart 4:** Regional breakdown of installed capacity by technology (MW)



**Chart 4** illustrates the regional breakdown of the installed capacity by technology and region within Great Britain by 30 June 2011. As is evident from Chart 2 photovoltaic installations make up the majority of total installed capacity across all regions and countries. In regions such as London and the South East photovoltaic installations make up over 98 percent of total registered capacity. The only exception to this is Scotland, where PV represents only 17 percent of total registered capacity.

When analysing changes in capacity when compared to data up until 1 April 2011, in most regions the percentage of PV increased against other technologies. There were notable exceptions to this however, such as Yorkshire & the Humber and East Midlands where the addition of anaerobic digestion installations have decreased the overall share of photovoltaic capacity. Additionally, the registration of additional wind installations in Wales saw a substantial increase in the wind percentage to 32 percent of total installed capacity.

**Chart 5:** Regional breakdown of registered installations



Scotland (28.9MW), the South West (27.4MW) and the South East (22.7MW) remain the areas with the highest installed capacity, accounting for nearly 50 percent of the total installed capacity in Great Britain.

As of 30 June 2011 the total installed capacity of MicroCHP installations was 158kW, which represents 0.10 percent of the total installed capacity. Because this figure is negligible compared to the overall picture, this technology has been removed from the regional breakdowns in Chart 4. MicroCHP installations have been registered in all regions across Great Britain.

**Chart 5** represents the regional breakdown of the number of installations under the FIT scheme in Great Britain. The number of installations across all regions increased significantly from 1 April to 30 June 2011, in particular in the southern regions and in the East and Yorkshire & the Humber. The number of installations in these regions each increased by more than 1,700 since 31 March 2011.

## FIT Levelisation process

The most recent quarterly levelisation process covered the activities of 1 April to 30 June 2011. During this period a total of 70,753,238.12MWh was supplied by electricity supply companies.

As part of the levelisation process, all licensed electricity suppliers (regardless of FIT participation status) are required to make payments into Ofgem E-Serve's levelisation fund, based on their market share of the Great Britain electricity supply market and any FIT payments. The fund is then redistributed to FIT licensees that have made more payments to the generators than they would be required to by their market share contribution.

In the most recent levelisation process, the total levelisation pot was calculated to be £11,896,412.60. This figure represents the cost of the scheme in that quarter and includes generation payments, deemed export payments claimed by the generators, the Qualifying (administration) costs incurred by FIT Licensees, minus the value of deemed export to the licensed electricity suppliers. This figure is more than £6.7 million greater than the levelisation pot of the previous quarter (1 January – 31 March 2011).

During the same process, FIT Licensees reported £10,101,593.26 in FIT payments due to installations registered under the scheme. This figure includes both generation and export (deemed and metered) payments claimed. This figure is an increase of more than £4.6 million from the previous quarterly levelisation process and highlights the continued growth of registered installations under the scheme.

Additionally, Ofgem calculated that £5,093,623.79 was due to be paid into the levelisation fund collectively by licensed electricity suppliers. All owed payments were successfully received by Ofgem, and the fund was redistributed to those FIT Licensees that were owed money from the fund.

The next quarterly periodic levelisation process of FIT Year 2 is due to commence on 1 October 2011 and will cover the quarter 1 July to 30 September 2011. A timetable for the periodic levelisation periods and deadlines is available from the Ofgem website: [www.ofgem.gov.uk/fits](http://www.ofgem.gov.uk/fits).

## Migration of accredited RO installations to FIT

To date, more than 4,890 microgenerator installations registered under the Renewables Obligation (RO) have been transferred to the FIT scheme as of August 2011. The deadline for the submission of additional information forms required for transfer is 1 October 2011.

### Feed-in Tariff scheme contact details

For information on home electricity generation and how to join the FITs scheme, please contact the **Energy Saving Trust** on **0800 512 012**

Businesses looking to participate in the FITs scheme should contact the **Carbon Trust** on **0800 085 2005**

For information on accreditation of installations below 50 kW and general information about products and installers, please contact **Gemserv** on **020 7090 1082**

*For general queries regarding FIT accreditation of installations between 50kW and 5MW, please contact [renewable@ofgem.gov.uk](mailto:renewable@ofgem.gov.uk) or 020 7901 7310*

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**For more information on FITs please visit the Ofgem website:**  
[www.ofgem.gov.uk/fits](http://www.ofgem.gov.uk/fits)

**A list of the current FIT Licensees is available from the Ofgem website:**  
[www.ofgem.gov.uk/Sustainability/Environment/fits/rfitls](http://www.ofgem.gov.uk/Sustainability/Environment/fits/rfitls)

If you have any comments or suggestions on the information provided within the FIT update or would like to be added to the distribution list, please email [fitcompliance@ofgem.gov.uk](mailto:fitcompliance@ofgem.gov.uk).