

# Feed-in Tariff Update



In this newsletter, we provide an update on the first six 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 second quarter (01 July – 30 September 2010) of the scheme. This newsletter is currently available on a quarterly basis.

## Key Facts

- ▶ By 19 November 2010, 15,468 installations had registered to participate in the scheme – this includes both units that have been newly installed since the FIT scheme went live on 1 April and that were previously claiming payments under the Renewables Obligation
- ▶ 11,370 installed renewable installations registered between 1 April 2010 and 30 September 2010 representing 43.985MW of total installed capacity
- ▶ £2,504,712.55 total FIT payments due to generators from the second levelisation process

## The Feed-in Tariff scheme

- The scheme was introduced on 1st 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.

**Table 1:** Number of FIT installations by quarter within the first 6 months of the FITs scheme (including installations migrated from the Renewables Obligation during that period)

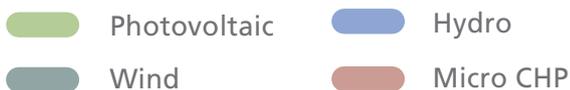
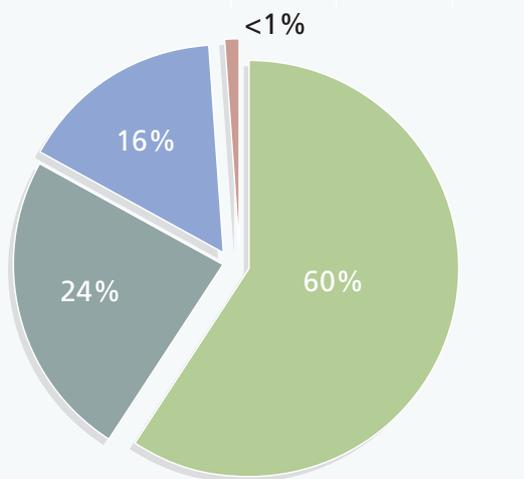
	Installations registered in Q1	Installations registered in Q2	Total
Hydro	4	110	114
Photovoltaic	2717	7835	10552
Wind	63	636	699
MicroCHP	0	5	5

## FITs Activity 01 April – 30 September 2010

Between 1 April 2010 and 30 September 2010, 11370 installations registered with FIT Licensees to receive FITs. As illustrated in **Table 1**, of the 11370 installations registered by 30th September, 93% were of photovoltaic technology. The number of registered installations in the quarterly period between 1 July 2010 and 30 September 2010, almost doubled from 2717 in the first quarter of the scheme to more than 4800 in the second quarter.

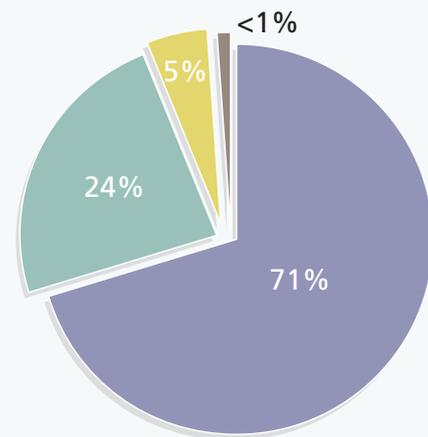
The increase in installations was observed across all renewable technologies. In addition to this more than 3000 installations were migrated from the Renewables Obligation scheme by 30 September, with the majority being registered during the second quarter. The second quarter also saw the first MicroCHP installations registered, with 5 installations registered during this period.

**Chart 1: Total installed capacity by technology type for April-September 2010**



The percentage of installed capacity by technology type is illustrated in **Chart 1**. The total installed capacity of all registered installations was 43.985 MW (including migrated installations) at the end of the second quarter of the FIT scheme. This represents a twofold increase since the previous quarter with an increase of more than 28.7MW installed capacity between July and September 2010.

**Chart 2: Total installed capacity by installation type for April-September 2010**



In the period April to June, photovoltaic installations represented around 44% of the total installed capacity. However over the subsequent period of July to September, the proportion of photovoltaic technology increased, giving a total of 60% total installed capacity over the 6 month period.

The average capacity of photovoltaic, wind and hydro installations for the second quarter remains at similar levels to the first quarter.

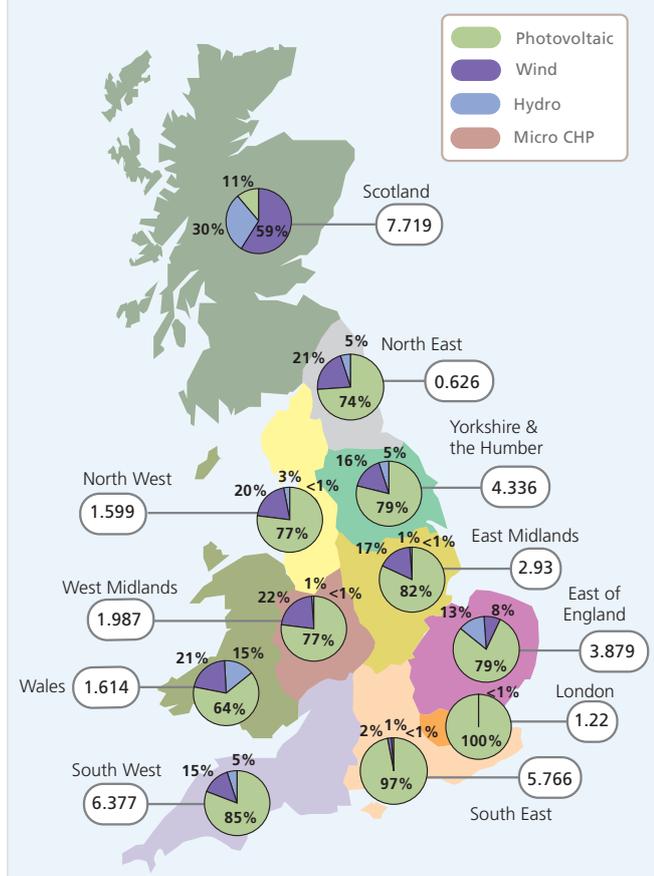
**Chart 2** shows the total installed capacity of registered installations by their installation type. In the first quarter, domestic installations accounted for just under half of the total installed capacity of installations.

However over the 6 month period from April to September, the proportion of domestic installed capacity increased, with domestic installations showing over 71% or 31MW of the total installed capacity of the scheme.

As a result, the proportion of community, industrial and commercial installations have decreased, with the latter consisting of 24% or 10.4MW of total installed capacity.

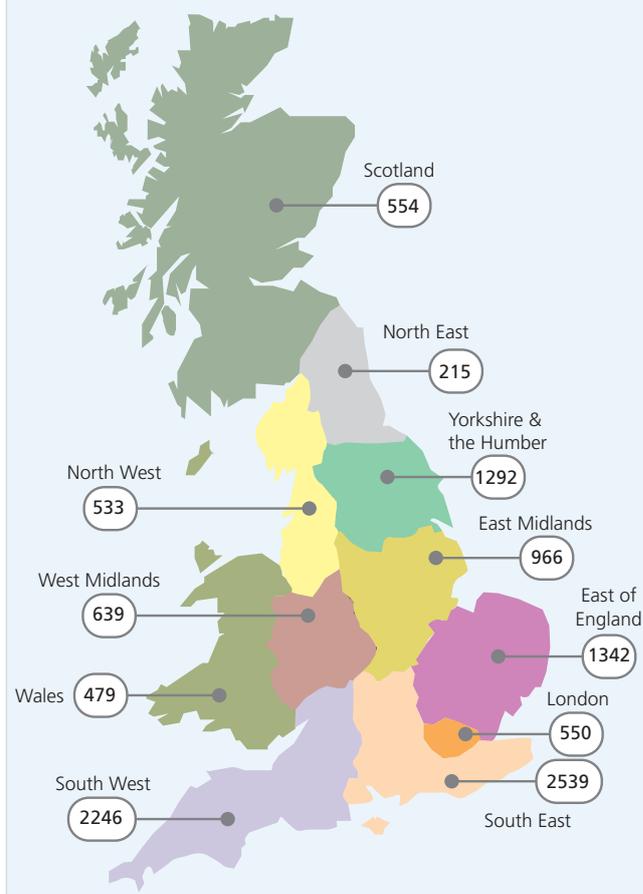
## Regional breakdown of FITs activity - 01 April – 30 September 2010

**Chart 3: Regional breakdown of installed capacity by technology (MW)**



**Chart 3** shows the regional breakdown of the installed capacity by technology and region within Great Britain. For the majority of regions photovoltaic dominates the installed capacity percentage of installations. The exception to this is Scotland, where wind and hydro technologies make up the majority of the installed capacity.

**Chart 4: Regional breakdown of registered installations**



The regional breakdown of the number of installations per region is illustrated in **Chart 4**. Analysis of this chart shows a high concentration of installations in the South and East of England, which also correspond to areas of high percentage of photovoltaic installations (as shown in **Chart 3**). While both London and the North East have the lowest number of registered installations.

## How to see up-to-date information on FITs activity

The activity described in this newsletter relates to the first six months of the FIT scheme (1 April 2010 and 30 September 2010). For more up to date details on the FITs activity, please refer to the public report available from the Renewables and CHP Register:

<https://www.renewablesandchp.ofgem.gov.uk>. You can look up the most up-to-date information by clicking on the FIT Summary Report or FIT Installations Statistical Report, found in the Public Reports section.

## Migration of accredited RO installations to FIT

To date, more than 4000 installations registered under the Renewables Obligation (RO) have been migrated to the FIT scheme. Of those that submitted complete information by

17 September, 99.4% were migrated by the 30 September 2010.

## FIT Levelisation process

For the second levelisation period of 1st July and 30th September the total amount electricity supplied in Great Britain reported by the suppliers was 69,602.096 GWh.

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.

FIT Licensees reported a total of £2,504,712.55 of FIT payments due to generators. This figure shows a

considerable increase in FIT payments compared to the first quarter of the scheme. This figure can be explained by an increase in the number of generators registered under the scheme (both new generators and those who have been migrated from the RO). Additionally, all FIT Licensees registered FIT payments under the second levelisation.

Ofgem E-Serve calculated that £1,197,410.77 was to be paid into the levelisation fund collectively by the licensed electricity suppliers. This amount was successfully redistributed to the FIT Licensees who were owed money from the fund.

The third levelisation process is due to commence in January 2010 and will cover the period 1st October to 31st December 2010.

## 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

### Ofgem FIT Team Contacts

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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/rfits](http://www.ofgem.gov.uk/Sustainability/Environment/fits/rfits)

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).

