

Update

In this quarterly newsletter, we provide an update on the first eighteen 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 of Year 2 (1 July – 30 September 2011).



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 September 2011

- ▶ A total of 80,875 installed renewable installations were registered under the scheme from 1 April 2010.
- ▶ 316.3 MW of total installed capacity was registered for FITs since 1 April 2010.
- ▶ A total of £24,576,702.12 total FIT payments were due to generators in the quarter 1 July 2011 to 30 September 2011.

Additional information on FITs activity

The information described in this newsletter relates to the activity in the FIT scheme from 1 April 2010 until 30 September 2011, in addition to the activity in the last quarter. 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 statistics last quarter (1 July 2011 – 30 September 2011)

More than 80,000 installations were registered under the Feed-in Tariff scheme from 1 April 2010 to 30 September 2011. Of this total, more than 35,000 installations were registered within the last three months alone, showing a significant increase in the uptake of installations registered under the scheme. **Table 1** illustrates the breakdown of the number of FIT installations by quarter and by technology. Continuing from previous quarters, photovoltaic installations continue to represent the vast majority of newly registered installations at over 98 percent of all installations registered between 1 July to 30 September 2011. Additionally during this period 95 microCHP and 5 anaerobic digestion installations were registered. This was the largest quarterly uptake for these technologies since the start of the scheme.



Table 1: Number of FIT installations by quarter. Figures are subject to change.

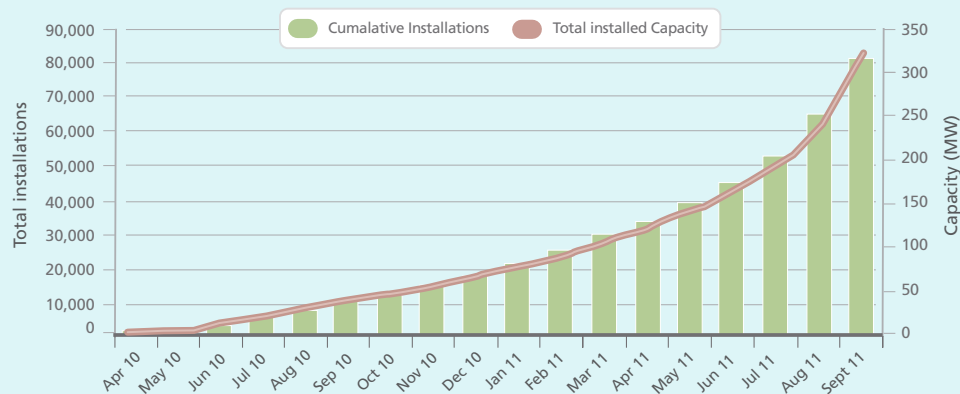
	Installations registered in Q1	Installations registered in Q2	Installations registered in Q3	Installations registered in Q4	Installations registered in Q5	Installations registered in Q6	Total
Hydro	4	108	47	44	14	18	235
Photovoltaic	2,698	7,814	6,665	11,379	14,533	35,440	78,529
Wind	61	631	330	317	186	323	1,848
MicroCHP	0	5	17	78	58	95	253
Anaerobic digestion	0	0	2	1	2	5	10
Total	2,763	8,558	7,061	11,819	14,793	35,881	80,875

FITs activity since the start of the scheme

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 significant uptake in both total installed capacity and number of installations can be seen on the graph in the most recent months.

As of September 2011, more than 316 MW of installed capacity had been registered under the scheme. This figure is an increase of almost 100 percent in the total installed capacity figure of 152MW from June 2011.

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



The charts below highlight the breakdown of the total installed capacity by installations under the FIT scheme from 1 April 2010. **Chart 2** breaks this figure down by the different technology types under the scheme. The chart highlights the significance of photovoltaic installations which make up around 83 percent of all installed capacity. This is an increase of the total capacity from 74 percent in June 2011. Additionally, wind and hydro installations make up 9 and 5 percent respectively, while the proportion of anaerobic digestion installations remains at 3 percent of total capacity.

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

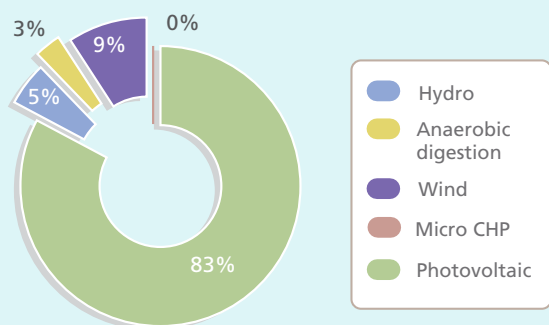


Chart 3: Total installed capacity by installation type for 1 April 2010 - 30 September 2011

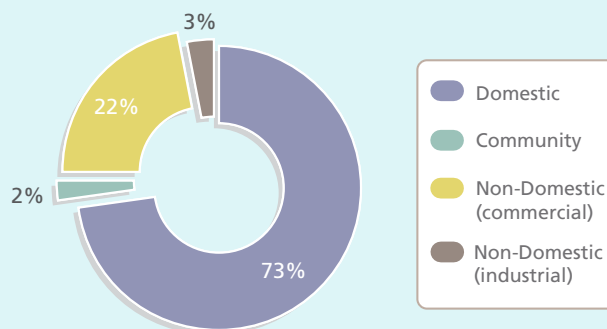


Chart 3 represents the total installed capacity of registered installations by installation type since 1 April 2010. The share of installed capacity in the domestic sector remains the largest at 73 percent of total registered capacity, although this figure has dropped from 77 percent in the previous quarter. Total installed

capacity of commercial installations make up 22 percent of the total, while community and industrial installations make up the remaining 5 percent of capacity.

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

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

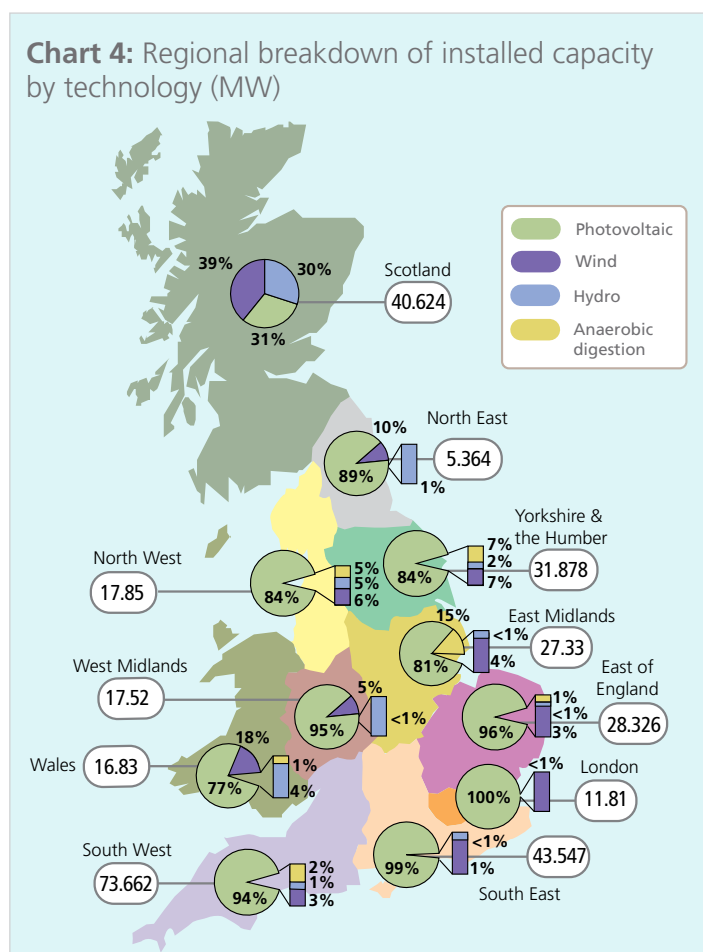
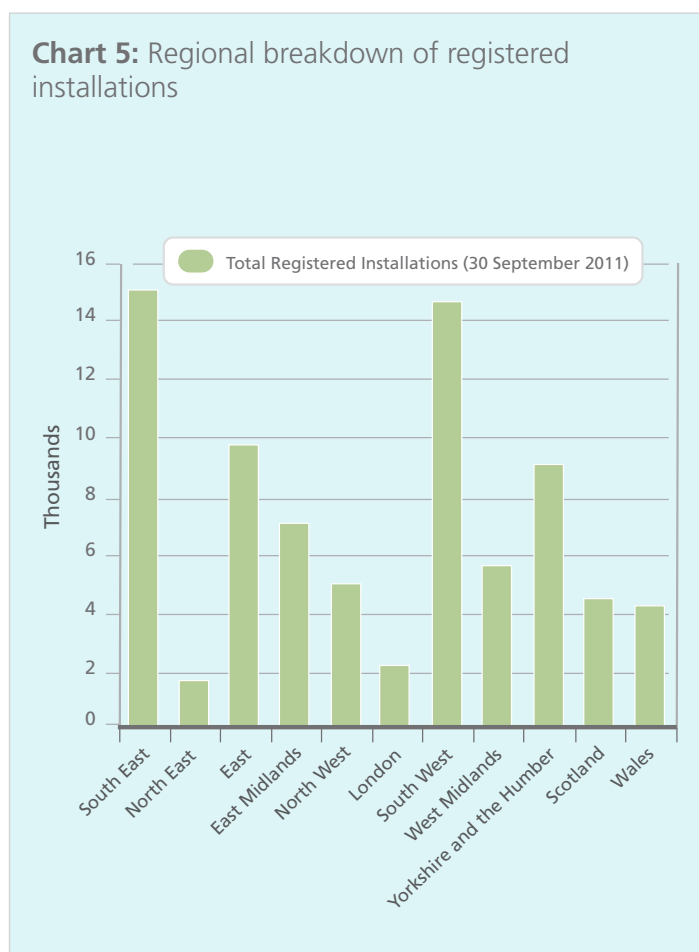


Chart 4 shows the regional breakdown of the installed capacity by technology and region within Great Britain by 30 September 2011. As is shown in Table 1 and Chart 2, photovoltaic installations continue to make up the vast majority of FIT accredited installations across Great Britain. Most regions saw an increase in the proportion of photovoltaic installations, including Scotland, in which the proportion increased from 17 percent from 30 June 2011 to 31 percent, and Wales which saw an increase from 61 percent to 77 percent.

When analysing changes in capacity when compared to data up until 30 June 2011, in every region, the percentage of photovoltaic installations increased. The only exception to this was in the North West, where photovoltaic remained at 84 percent of total installed capacity.

The South West, South East and Scotland remain the areas with the highest installed capacity in Great Britain. The largest increase in

Chart 5: Regional breakdown of registered installations



installed capacity took place in the South West, which increased from 27.4MW in June 2011 to 73.6MW in September 2011, an increase of more than 268 percent.

As of 30 September 2011 the total installed capacity of MicroCHP installations was 251 kW, which represents around 0.08 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 accredited in all regions across Great Britain.

Chart 5 illustrates the regional breakdown of the number of installations under the FIT scheme in Great Britain. The number of installations across all regions continued to increase significantly, in particular in the South West and South East. The number of installations in these regions each increased by more than 6,000 since 31 June 2011.

FIT Levelisation process

From data submitted as part of the most recent FIT levelisation process, a total of 68,878,289.03 MWh of relevant electricity was supplied by energy supply companies from 1 July 2011 to 30 September 2011.

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 £25,747,422.32. 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 double the levelisation pot of the previous quarter (1 April – 30 June 2011).

During the same process, FIT Licensees reported £24,576,702.12 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 £14 million from the previous quarterly levelisation process and demonstrates the significant increase in registrations under the Feed-in Tariff scheme since 30 June 2011.

Ofgem also calculated that £10,578,853.52 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 January 2011 and will cover the quarter 1 October to 31 December 2011. An updated timetable for the periodic levelisation periods and deadlines in Year 2 is available from the Ofgem website: www.ofgem.gov.uk/fits.

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 or 020 7901 7310

Ofgem FIT Team Contacts

Dale Winch, Assistant Manager FIT Compliance
Tel: 020 7901 7236 Email: dale.winch@ofgem.gov.uk

Anna Moule, Central FIT Register Manager
Tel: 020 7901 1829 Email: anna.moule@ofgem.gov.uk

Daniel Murray, Assistant Central FIT Register and Fraud Prevention Manager
Tel: 020 7901 1882 Email: daniel.murray@ofgem.gov.uk

Lauren Moroney, FIT Team Administrator
Tel: 020 7901 7409 Email: lauren.moroney@ofgem.gov.uk

For more information on FITs please visit the Ofgem website:
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

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.