

Update

In this quarterly newsletter, we provide an update on the first two years 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 fourth quarter of Year 2 (1 January – 31 March 2012).



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 Great Britain 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 proportion.
- FIT Licensees are responsible for registering eligible installations, processing generation data and making payments.
- Ofgem is responsible for the administration of the FITs scheme, while DECC is responsible for the policy.

Feed-in Tariff key figures - as of 31 March 2012

- ▶ A total of 248,010 renewable installations have been registered under the scheme since 1 April 2010.
- ▶ 1,090.683MW of Total Installed Capacity has been registered under FITs since 1 April 2010.
- ▶ A total of £46,869,264.23 in FIT payments were due to generators in the quarter 1 January 2012 to 31 March 2012.

FITs statistics last quarter (1 January 2012 – 31 March 2012)

The figures used in this report are Feed-in Tariff (FIT) installation numbers extracted from Ofgem's Central FIT Register. For statistics on Microgeneration Certification Scheme numbers please refer to the DECC website (www.decc.gov.uk/FITs).

Since the implementation of the Feed-in Tariff in April 2010, more than 248,000 installations have been registered under the scheme. Of this total, more than 40 percent (100,000 installations) were registered within the last three months alone, representing the

largest quarterly increase in numbers since the start of the scheme. The breakdown of the quarterly number of installations is represented in **Table 1**. By technology, the largest number and percentage of new installations continues to be photovoltaic, with 99 percent (99,629) of all installations registered between 1 January and 31 March 2012. Additionally this quarter also oversaw the registration of 26 new hydro and 330 wind installations.



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	Installations registered in Q7	Installations registered in Q8	Total
Hydro	4	106	47	47	14	17	18	26	279
Photovoltaic	2,741	7,959	6,731	11,490	14,609	35,570	66,191	99,629	244,920
Wind	62	623	325	324	192	324	262	330	2,442
MicroCHP	0	5	17	79	58	98	62	34	353
Anaerobic digestion	0	0	2	1	1	6	4	2	16
Total	2,807	8,693	7,122	11,941	14,874	36,015	66,537	100,021	248,010

FITs activity since the start of the scheme

In the two years in which the Feed-in Tariff scheme has operated, the total numbers and installed capacity of installations has increased significantly. **Chart 1** illustrates the cumulative growth in both the number of installations and Total Installed Capacity

registered under the scheme since 1 April 2010. As of 31 March 2012, more than 1,090MW total capacity had been registered under the scheme. This figure is an increase of more than 430MW since 31 December 2011.

Chart 1: Registered FIT installations by number and total installed capacity (1 April 2010 - 31 March 2012)

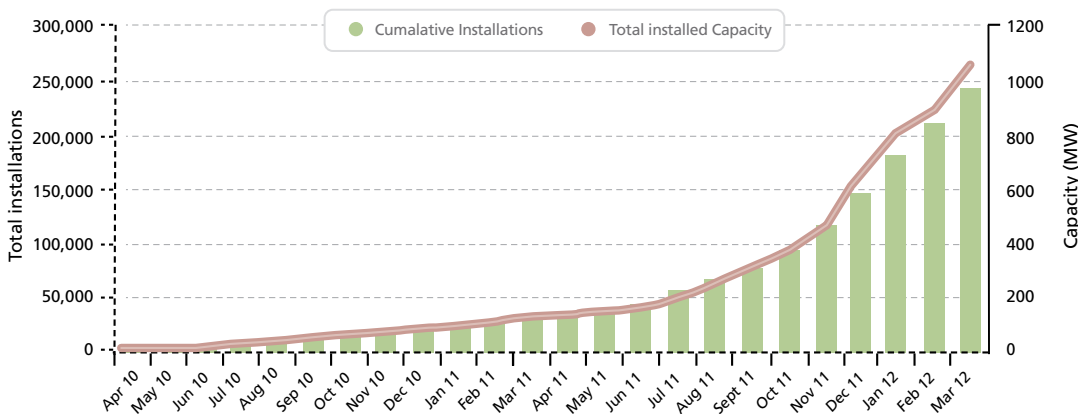


Chart 2 shows the breakdown of installations since 1 April 2010 by technology and capacity. The chart highlights the significance of photovoltaic installations which make up more than 92 percent of all installed capacity. This is an increase of 2 percent of the total capacity since 31 December 2011. In addition to photovoltaic capacity, wind and hydro installations make up 5 and 2 percent respectively, while anaerobic digestion installations make up 1 percent of the Total Installed Capacity.

Chart 2: Total installed capacity by technology type for 1 April 2010 - 31 March 2012

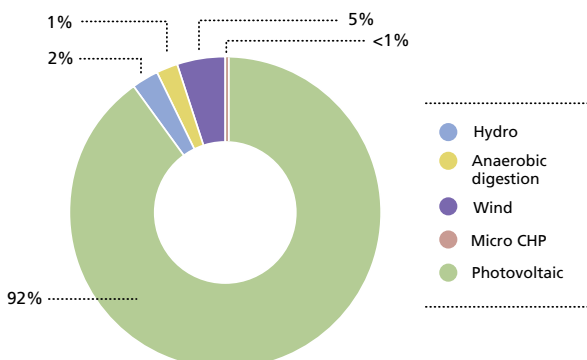


Chart 3: Total installed capacity by installation type for 1 April 2010 - 31 March 2012

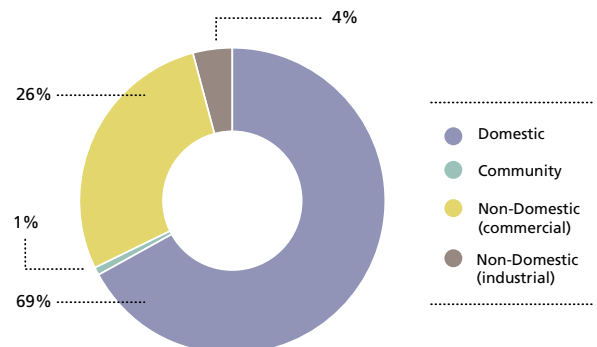


Chart 3 represents the Total Installed Capacity of registered installations by installation type since 1 April 2010. The domestic share of the installed capacity remains the largest type at 69 percent. This is an increase of 2 percent over the past quarter to 31 March

2012. The Total Installed Capacity of industrial and community installations make up 4 percent and 1 percent respectively, while commercial installations make up 26 percent of the total.

Regional breakdown of FITs activity

Figure 1: Regional breakdown of installed capacity by technology (MW)

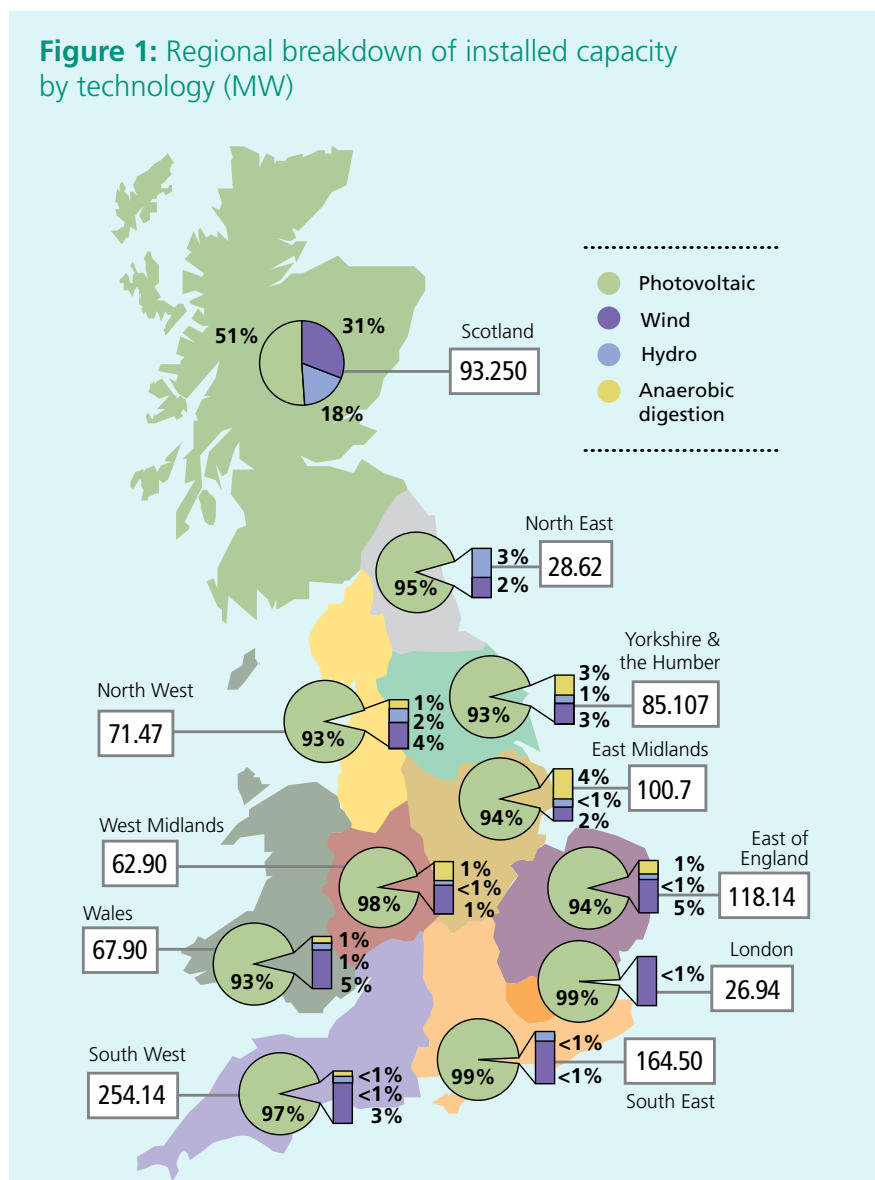
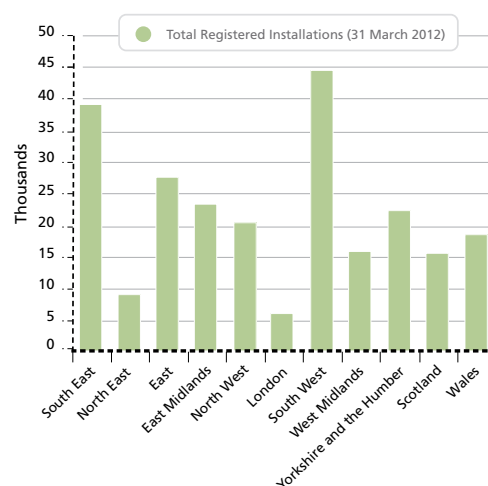


Figure 1 shows a regional breakdown of installations by technology and Total Installed Capacity as of 31 March 2012. As illustrated, the total installed capacities of installations in all regions increased substantially. Of particular interest is the North East and North West regions, in which have more than doubled their respective capacities between 31 December 2011 and 31 March 2012. Additionally the South West and the South East remain the regions with the highest installed capacities at 254.14MW and 164.50MW, with the former having increased by 86MW between 31 December 2011 and 31 March 2012.

Chart 4: Regional breakdown of registered installations



When analysing changes in the Total Installed Capacity by technology, a continued increase in the percentage of photovoltaic installations is evident in all regions. In Scotland, the percentage of photovoltaic installations reached 51 percent of Total Installed Capacity by 31 March 2012, ensuring that for the first time, all regions of Great Britain have a majority percentage of photovoltaic installations. All other regions of Great Britain have photovoltaic installations at over 90 percent of Total Installed Capacity.

As of 31 March 2012 the Total Installed Capacity (TIC) of MicroCHP installations was 777kW, which represents approximately 0.07 percent of TIC under the FITs Scheme. Since this figure is negligible compared to the TIC of other technologies within

FITs, this technology has been removed from the regional breakdowns in Figure 1. MicroCHP installations have been accredited in all regions across Great Britain.

Chart 4 highlights the regional breakdown of the number of installations under the FIT scheme in Great Britain since the start of the FIT scheme on 1 April 2010. All regions saw substantial increase in the number of installations over the 1 January to 31 March 2012 period. Both the South East and South West retained the highest number of registered installations at 38,764 and 44,593 respectively.

FIT Levelisation process

The most recent periodic levelisation process covered the quarter of 1 January to 31 March 2012. 82,149,140MW of relevant supply was reported by all licensed electricity suppliers as a part of this process.

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 £52,254,311.23 This figure is an increase of more than £13.3 million from the previous quarter (1 October to 31 December 2011). This figure represents the cost of the scheme in that quarter and includes generation payments, deemed export payments claimed by generators, the qualifying (administration) costs incurred by FIT Licensees, minus the value of deemed export to the licensed electricity suppliers.

As a part of the latest periodic levelisation process, a total of £46,869,264.23 in payments were reported by FIT Licensees. This figure is an increase of almost £11 million from the previous quarterly levelisation process. This figure includes both generation and export (deemed and metered) payments claimed by installations registered under the scheme. Additionally a total of £24,467,197.28 was due to be paid into the levelisation fund collectively by licensed electricity suppliers in this quarter. 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 first quarterly periodic levelisation process of FIT Year 3 is due to commence from 1 July 2012 and will cover the quarter 1 April 2012 to 30 June 2012.

A timetable for the periodic levelisation periods and deadlines for FIT Year 3 is available from the Ofgem website: www.ofgem.gov.uk/fits.

Additional information on FITs activity

The information described in this newsletter relates to the activity in the FIT scheme from 1 April 2010 until 31 March 2012, 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>.

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

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/rfits