

Update

In this quarterly report we provide an update on the Feed-in Tariff scheme and an overview of the latest information on the installations that are now participating. This report also gives a summary of the statistics for the second quarter of FIT Year 3 (1 July - 30 September 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 and 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 FIT payments to generators than they would be required to by their market share proportion.
- FIT Licensees are responsible for registering eligible installations, processing generation and export data and making FIT payments.
- Ofgem is responsible for the administration of the FITs scheme, while the Department of Energy and Climate Change (DECC) is responsible for the policy.

Feed-in Tariff key figures - as of 30 Sept 2012

- ▶ A total of 329,889 renewable installations have been registered under the scheme as of 30 September 2012.
- ▶ 1,487.43MW of Total Installed Capacity has been registered under FITs as of 30 September 2012.
- ▶ A total of £173,047,222.76 in FIT payments was due to generators for the quarter 1 July to 30 September 2012.

FITs Statistics Last Quarter (1 July - 30 September 2012)

The figures used in this report are based on Feed-in Tariff (FIT) installation figures extracted from Ofgem's Central FIT Register. For statistics regarding Microgeneration Certification Scheme figures please refer to the DECC website (www.bit.ly/FITSTATS).

As of the end of September 2012, almost 330,000 installations have been registered under the Feed-in Tariff scheme since its introduction on 1 April 2010. Of this total, more than 13 percent (44,220 installations) were registered between July and September 2012.

Table 1 illustrates the breakdown of installations registered under the scheme by quarter and technology. As is evident from this table, the overall number of installations registered quarterly has marginally increased when compared

with the previous quarter (April to June 2012), but is significantly lower than the peak number of registrations of more than 100,000 installations during January to March 2012. This can be directly attributed to the change in FIT legislation that took effect from both 3 March and 1 April 2012.

Of the total of 44,220 installations registered between 1 July to 30 September 2012 the largest number continues to be of photovoltaic technology, consisting of almost 99 percent (43,688) of all registered installations. Additionally this quarter also saw the registration of 36 new hydro and 457 wind installations and the highest quarterly number of anaerobic digestion installations since the scheme began at 9.

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

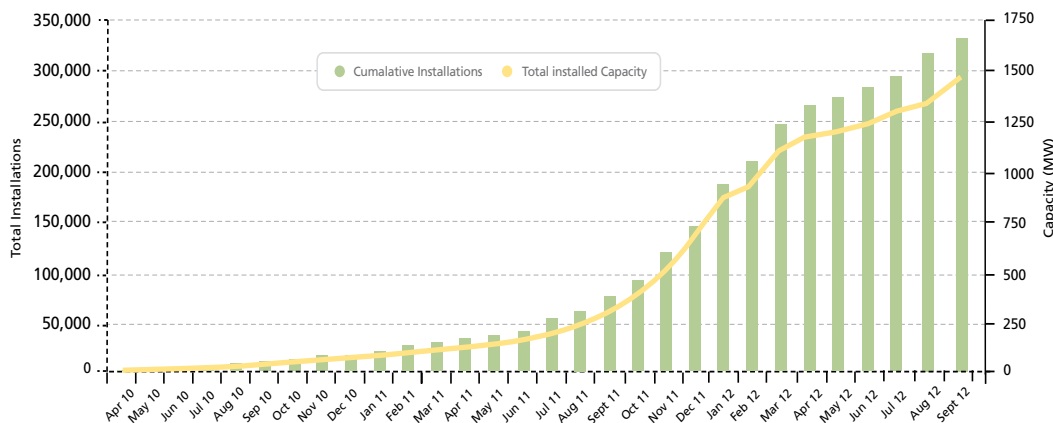
| | Apr – Jun 2010 | Jul – Sep 2010 | Oct – Dec 2010 | Jan – Mar 2011 | Apr – Jun 2011 | Jul – Sep 2011 | Oct – Dec 2011 | Jan – Mar 2012 | Apr – Jun 2012 | Jul – Sep 2012 | Total |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Hydro | 4 | 108 | 48 | 44 | 14 | 18 | 15 | 24 | 33 | 36 | 344 |
| Photovoltaic | 2,698 | 7,813 | 6,663 | 11,378 | 14,532 | 35,436 | 66,034 | 100,309 | 37,187 | 43,688 | 325,738 |
| Wind | 60 | 632 | 330 | 316 | 185 | 321 | 239 | 362 | 476 | 457 | 3,378 |
| Micro-CHP | 0 | 5 | 17 | 78 | 58 | 96 | 67 | 34 | 14 | 30 | 399 |
| Anaerobic digestion | 0 | 0 | 2 | 1 | 2 | 5 | 4 | 2 | 5 | 9 | 30 |
| Total | 2,762 | 8,558 | 7,060 | 11,817 | 14,791 | 35,876 | 66,359 | 100,731 | 37,715 | 44,220 | 329,889 |

FITs Activity since the start of the scheme

In the period in which the Feed-in Tariff scheme has operated since 1 April 2010, the total number and installed capacity of installations has increased considerably. **Chart 1** shows the cumulative growth in both the number of installations and Total

Installed Capacity registered under the scheme by month. As illustrated, the number of installations in the most recent six months of the scheme has increased at a consistent rate, although at a lesser degree when compared to the preceding six months.

Chart 1: Registered FIT installations by number and total installed capacity (1 April 2010 - 30 September 2012)



As of 30 September 2012, more than 1,487MW of Total Installed Capacity have been registered under the scheme. This figure is an increase of more than 246MW since 30 June 2012. A breakdown of the Total Installed Capacity under the scheme by technology is shown in **Chart 2**, and highlights the continued significance of photovoltaic installations at more than 90 percent of installed capacity. Wind installations constitute 6 percent of the Total Installed Capacity, while both anaerobic digestion and hydro installations make up 2 percent each of the total. The remaining capacity of less than 1 percent is made up of micro-CHP installations.

Chart 2: Total installed capacity by technology type for 1 April 2010 - 30 September 2012

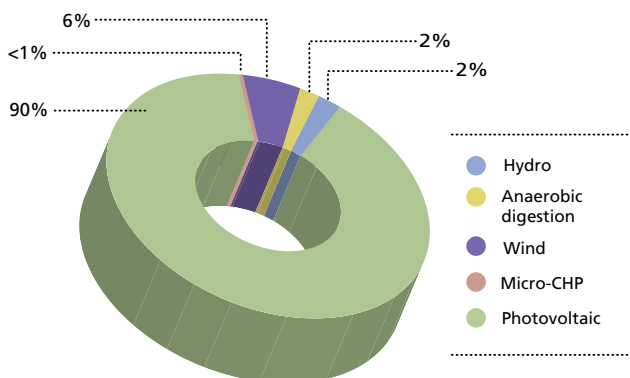


Chart 3: Total installed capacity by installation type for 1 April 2010 - 30 September 2012

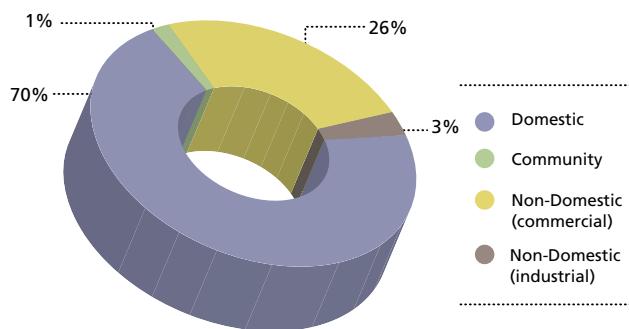
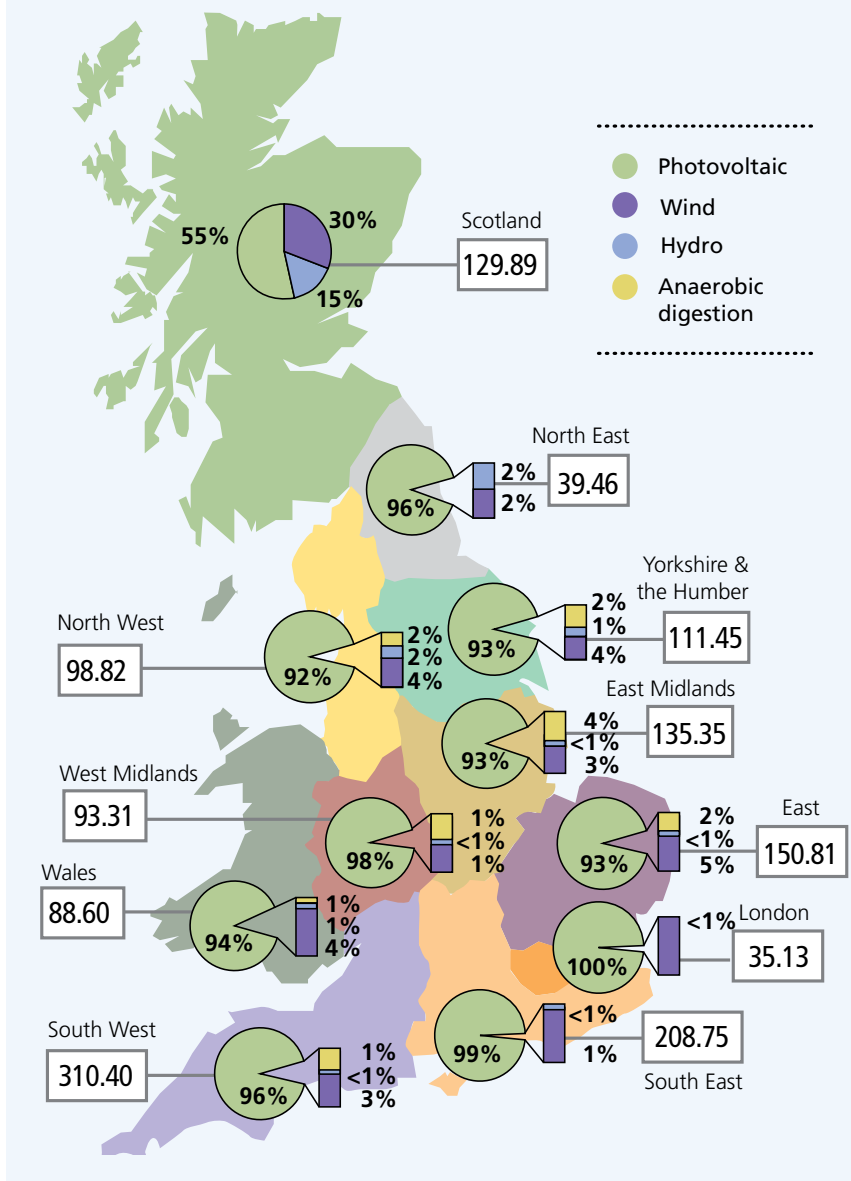


Chart 3 represents the Total Installed Capacity of registered installations by installation type since 1 April 2010. These installation types are selected by the generator owner at the time of application, and are not to be confused with newly defined community installations from 1 December 2012. The domestic share of installed

capacity remains the largest type at 70 percent. The capacity of industrial and community installations make up 3 percent and 2 percent respectively, while commercial installations form 25 percent of the total.

Regional breakdown of FITs activity

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



An additional breakdown of registered installations by regional capacity is set out in **Figure 1**. This illustrates the breakdown of Total Installed Capacity of registered installations by technology type. All data is reflective of the scheme as of 30 September 2012.

Figure 1 demonstrates that both the South West and the South East regions have the highest Total Installed Capacity at 310.40MW and 208.75MW respectively, while Yorkshire & the Humber, East Midlands, the East of England and Scotland each have more than 100MW of installed capacity. In all regions of Great Britain, with the exception of Scotland, photovoltaic installations represent over 90 percent of regional Total Installed Capacity.

As of 30 September 2012 the Total Installed Capacity of micro-CHP installations was 407kW, which represents approximately 0.03 percent of capacity under the FITs Scheme. Since this figure is negligible compared to the Total Installed Capacity of other technologies within the scheme this technology has been removed from the regional breakdowns in Figure 1. Micro-CHP installations have been accredited in all regions across Great Britain.

Chart 4: Regional breakdown of registered installations

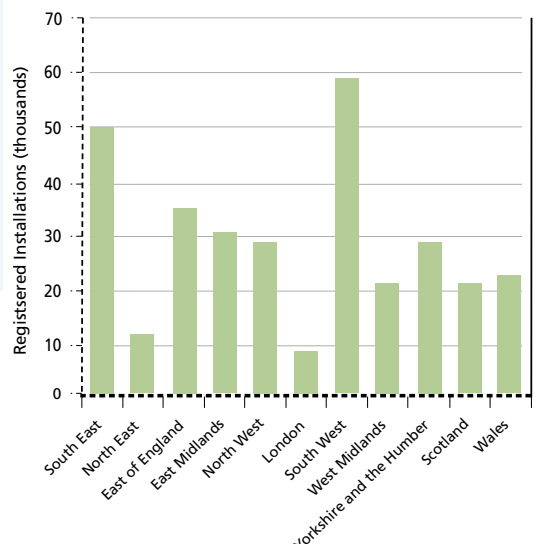


Chart 4 highlights the regional breakdown of the number of installations under the FIT scheme in Great Britain since the start of the FIT scheme on 1 April 2010 to 30 September 2012. As is evident, both the South West and South East remain the regions with the highest number of registered installations with 57,507 and 50,128 installations respectively.

FIT Levelisation Process

The most recent Periodic Levelisation process covered the period 1 July to 30 September 2012 and was completed on 9 November 2012. Licensed Electricity Suppliers reported a total of 67,731,716MWh of relevant electricity supplied during this period.

As part of the Periodic 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 taking account of any FIT payments they make to generators. The fund is then redistributed to FIT licensees that have made more payments to generators than they would be required to by their market share contribution.

In the latest Periodic Levelisation period, the total Levelisation pot was calculated to be £168,810,725.89. This figure is the largest since the scheme began and is an increase of more than £63 million from the previous quarter (1 April to 30 June 2012). 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 Licensed Electricity Suppliers.

During the most recent Periodic Levelisation period, a total of £173,047,222.76 in FIT payments to generators was reported by FIT Licensees. This figure is an increase of more than £71 million from the previous Periodic Levelisation process, and includes both generation and export (deemed and metered) payments claimed by installations registered under the scheme. In addition a total of £66,721,204.07 was paid into the Levelisation fund collectively by Licensed Electricity Suppliers in this process. All owed payments were received by Ofgem, and the fund was successfully redistributed to those FIT Licensees that were owed money from the fund.

The third quarterly Periodic Levelisation process of FIT Year 3 is due to commence from 1 January 2013 and will cover the quarter 1 October 2012 to 31 December 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 report relates to activity in the FIT scheme from 1 July 2010 to 30 September 2012. For more up to date details on 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 or business electricity generation and how to join the FITs scheme, please contact the **Energy Saving Trust** on **0800 512 012**.

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 over 50kW and below 5MW only, 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