

Feed-in Tariffs (FIT) Version 3

FAQ: Scheme Closure

What has changed?

www.ofgem.gov.uk/fits

On 1 April 2019, the scheme closed to new applications, barring several exceptions.

This FAQ is for existing participants and current applicants to the FIT scheme who want a basic overview of the closure arrangements.

Please contact the Department for Business, Energy and Industrial Strategy (BEIS) with any questions about the legislation or the decision to close the scheme at feedintariff@beis.gov.uk.

For detailed guidance about the closure of the scheme and how to apply, please read our <u>Essential guide to closure</u>, our <u>Guidance for Renewable Installations (version 13)</u> and our other <u>FIT FAQ</u> on our <u>website</u>.

Are there implications for accredited installations?

No. The closure of the scheme does not affect installations which are already accredited. FIT support is payable for 20 years (25 years in some cases) and tariffs are adjusted annually by RPI.

Your obligations under your statement of FIT terms will continue for the duration of your support. This includes your obligation to inform your FIT licensee about changes including, for example, installing battery storage with your FIT installation, replacing or moving metering, replacing generating equipment, or adding capacity.

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What do these changes mean if I have already submitted an application?

These changes do not require applicants who have already submitted their application to do anything new. Your application will be assessed against the existing evidential criteria. Installations with preliminary accreditation retain their existing validity period, and could benefit from an additional grace period (see below).

I'm thinking about making an application. What do I need to do and by when?

This depends on the type of application you intend to make to the FIT scheme.

- Small installations (solar photovoltaic and wind installations with a Declared Net Capacity (DNC) of 50kW or less and micro combined heat and power (CHP) installations with a DNC of 2kW or less) need to commission and have Microgeneration Certification Scheme (MCS) certificate issued on or before 31 March 2019. An application for accreditation will need to have been received by a FIT licensee by 31 March 2020. Please note that an MCS certificate can only be issued once the installation has been installed and commissioned.
- Applications for pre-registration of small installations from schools must have been received by us on or before 31 March 2019. Applicants then have 12 months from the date the pre-registration application was received by us in which to apply to their FIT licensee for accreditation. For more information about the existing policy on school installations, please see the guidance on our website.
- Applications for pre-registration of small installations from communities must have been received by us on or before 31 March 2019. Applicants then have 12 months from the date the pre-registration application was received by us to commission and apply to their FIT licensee for accreditation. Followina an amendment to the scheme due to Covid-19, pre-registrations that were initially due to expire on or after 1 March 2020 receive an additional twelve months to their original validity periods to commission and apply.1 For more information about the existing policy on community installations, please see the guidance on our website.
- **ROO-FIT** Applications for accreditation of a commissioned installation, and pre-accreditation of an installation that is not yet commissioned (including applications for ROO-FIT community installations) would need to be received by us on or before 31 March 2019. Following an amendment to the scheme due to Covid-19, preliminary accreditation applications that were initially due to expired after 1 March 2020 have an extension to their original validity period of 12 months..2

¹ Visit our <u>Changes to the FIT Scheme web page</u> for more information.

² Visit our <u>Changes to the FIT Scheme web page</u> for more information.

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Submitting an application on time is not a guarantee of support. There must be space in the relevant cap for your installation, and all scheme eligibility criteria must be satisfied.

What would happen if my application is still being processed after the cutoff?

Your application can be processed after the relevant cut-off date (see above for each application type) provided you apply on or before that date and there is space for your installation in the relevant deployment cap. Your application will be assessed against the scheme eligibility criteria to determine whether it can be accredited.

Are there any grace periods for applications?

Installations whose preliminary accreditation validity period ended on or after 31 March 2019 can use a grid or radar delay grace period up to 12 months after the end of their validity period³. This is only available for installations who experience delays to their grid connection or radar works beyond their control. Our <u>Essential guide to closure</u> provides more detail on how to apply for the grace period.

How does the caps regime work with scheme closure?

Deployment caps place limits on the total capacity that can receive a particular tariff rate in a particular three-month period. More information about how the caps regime works at present can be found in chapter 2 of our <u>guidance</u>.

Installations that do not fall into any of the remaining caps for their particular technology because the caps are oversubscribed, are not eligible for support from the scheme. We publish weekly reports on our website showing deployment towards each cap.

Are the government going to continue to subsidise new small scale renewable installations?

On 1 January 2020, the Smart Export Guarantee (SEG) came into force. The SEG is an obligation set by the government for licensed electricity suppliers to offer a tarff and make payment to small-scale low-carbon generators for electrity exported to the national grid, provding certain conditions are met. ⁴

More information

For more information on Scheme Closure, see our Essential quide to closure.

³ For those preliminary accreditation applications that are subject to the Covid-19 extension to the validity period, the grace period begins the day after the validity period extension ends.

⁴ Visit out 'About the SEG' page for more information https://www.ofgem.gov.uk/environmentalprogrammes/smart-export-quarantee-seg

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