

Feed-in Tariffs (FIT)

www.ofgem.gov.uk/fits

Levelisation - FAQs

Who is obligated to participate?

All licensed electricity suppliers that have supplied electricity in Great Britain, within the relevant FIT year or quarter are obligated to participate in the FIT levelisation process. They have to declare the amount of electricity they have supplied and make a financial contribution towards the scheme in proportion to this.

A licensed supplier is not obligated to make a Levelisation submission if it has not supplied electricity within the relevant levelisation period, unless that licenced supplier is also a FIT licensee and has associated payment data.

Where a new or formerly dormant licence begins to supply, the [Supplier Compliance team](#) should be informed as soon as possible, to ensure that the [Central FIT Register](#) is set up to allow for the licensee to make a submission during the next levelisation period.

What is Levelisation?

Levelisation is the mechanism by which the total cost of the FIT Scheme is apportioned across licensed electricity suppliers. The cost is allocated between suppliers in proportion to their share of the electricity supply market of Great Britain, whilst taking into account any FIT contribution they have already made.

What has to be submitted?

Submission of levelisation data is made to Ofgem via the [Central FIT Register](#) and all obligated suppliers are required to submit the following information:

- Total Electricity Supplied (MWh)- Our recommended methodology for calculating supply data is available in Appendix 7 of our [Guidance for suppliers](#).
- Exempt Supply (MWh)- Electricity that is produced from renewable sources outside of the United Kingdom and within the European Union, that is supplied to customers in Great Britain and is verifiable with a Guarantee of Origin certificate (GoO). Further information on Exempt Supply is available in 9.7 and onwards of our [Guidance for suppliers](#).

For suppliers that are also a FIT Licensee, they will have to submit additional fields such as:

- FIT generation payments
- FIT deemed export payment
- Total deemed electricity exported
- FIT export payments (i.e. combined deemed and metered payment)

When does it happen?

Periodic Levelisation

Periodic Levelisation takes place at the beginning of each quarter, looking back at the previous quarter. FIT Years run from April- March, so for the first quarter from April- June you would make a submission for this period in July.

Annual Levelisation

The Annual Levelisation process occurs at the end of a FIT Year and is a two-month process from August, with a statutory duty to complete this by 1st October each year. The purpose of it is to reconcile the 4 quarters of the previous FIT Year, and includes additional steps, such as the recognition of exempt supply evidence (i.e. a GoO certificate). FIT licensees are also required to carry out and submit a bespoke levelisation audit report.

The schedule for the levelisation process is determined and published before the beginning of each FIT year, no later than 1st March. Please refer to the 'Feed-in Tariffs Levelisation Schedule' on our [website](#) for the dates and deadlines involved in the process.

How to make a Levelisation payment?

Once Ofgem has determined the levelisation contribution of each active supplier, notice is given to suppliers of their obligation. This notice will include the relevant bank details, amount due and date of the payment. A bank transfer should then be organised by the supplier to the specified Ofgem account.

Please note that payment must have cleared before midnight on the date indicated in the invoice statement. Late payment will be regarded as an incident of non-compliance and will added to the Supplier Performance Report (SPR) and referred to Ofgem's Enforcement team for consideration.

For detailed information about the levelisation process and how suppliers' obligations are calculated, please see Chapter 9 of the ['Feed-in Tariffs: Guidance for Licensed Electricity Suppliers'](#).