

Feed-in Tariffs explained

Save today. Save tomorrow.



feed-in tariffs explained

Our factsheet has been updated

The highlights are:

- 1 DECC announces new 2011 generation and export tariff rates
- 2 DECC announces consultation on large-scale Solar PV and farm scale Anaerobic Digestion (AD)
- 3 De-Minimis guidelines from European Commission

Understanding Feed-in Tariffs

Feed-in Tariffs (FITs) are a financial incentive for renewable generators with an installed capacity below 5MW. It's been developed by the Department of Energy and Climate Change (DECC) and is designed to encourage businesses, as well as domestic customers, to generate renewable energy. This factsheet aims to give you as much information as we can. Please note that reviews will be continuing and some of this information could change. This factsheet should therefore not be relied on as definitive and final guidance on FITs.

FITs aim to make renewable generation more financially viable by guaranteeing generators a long term fixed price for the renewable energy they produce. This will help the UK reach its 2020 target of generating 15% from renewable sources. It's particularly designed for first time generators and aims to be simple and easy to follow.

What are Feed-in Tariffs?

FITs consists of two tariffs; a Generation Tariff and an Export Tariff.

Generation Tariff - a fixed rate that a generator will receive for every kilowatt of renewable energy generated regardless of where the energy is used. To measure the generation there must be an Ofgem approved total generation meter connected to the installation.

Export Tariff - a fixed 3.1p/kW rate for the surplus amount of energy which is sent back to the electricity grid. This is measured by an export meter onsite and will initially be estimated for smaller installations. Generators will receive the export tariff in addition to the generation tariff.

The generation and export tariff will be guaranteed for 20 years for all newly accredited projects or 25 years for Solar Photovoltaic (PV), and will be paid by licensed energy suppliers. Micro CHP will be introduced on a trial basis and tariffs will be fixed for 10 years. Updated details on the generation tariff and export tariff were released by DECC on 07 February 2011, and are linked to inflation.

feed-in tariffs explained

What types of generators are eligible to join FITs?

Generation stations set up after the 15th July 2009 and have an installed capacity of 5MW or less will be eligible for FITs.

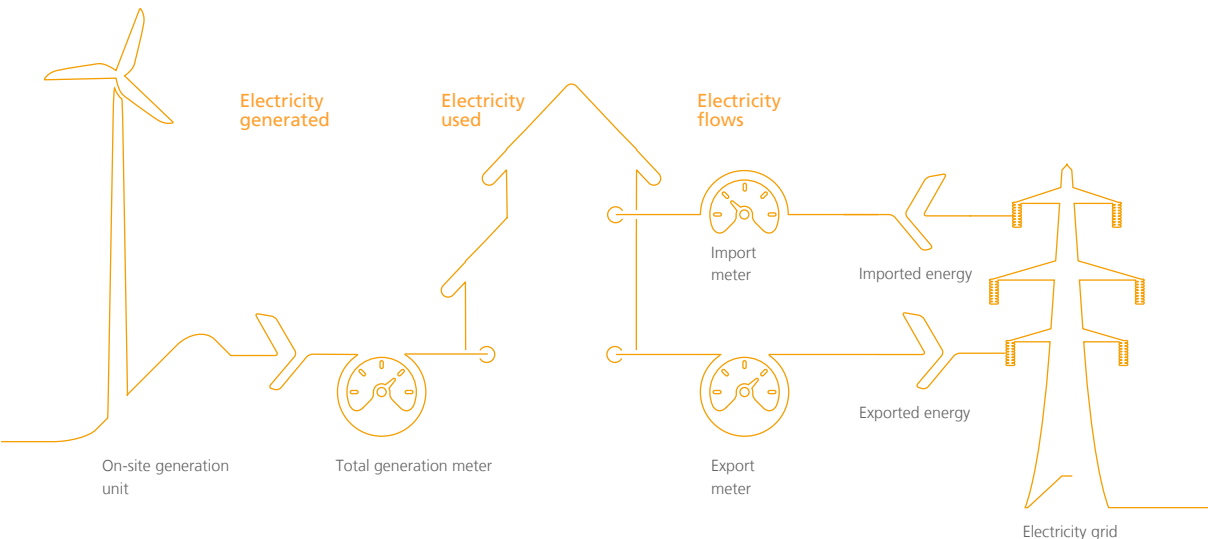
See below for a list of eligible technology types:

- Wind
- Solar PV
- Hydro
- Anaerobic digestion
- Micro CHP (<2kW)

How much money can I make from my generation system?

Generation Tariff as of 1st April 2011

Technology	Scale	Generation Tariff p/kWh
Anaerobic Digestion	< 500kW	12.1
Anaerobic Digestion	> 500kW	9.4
Hydro	<15kW	20.9
Hydro	> 15kW	18.7
Hydro	> 100kW	11.5
Hydro	> 2MW	4.7
Micro CHP	< 2kW	10.5
PV	< 4kW (new build)	37.8
PV	< 4kW (retrofit)	43.3
PV	> 4kW	37.8
PV	> 10kW	32.9
PV	> 100kW	30.7
Wind	< 1.5kW	36.2
Wind	> 1.5kW	28
Wind	> 15kW	25.3
Wind	> 100kW	19.7
Wind	> 500kW	9.9
Wind	> 1.5MW	4.7
Existing Micro generators transferring from the RO		9.4



feed-in tariffs explained

State aid could affect your eligibility

Generators who have received a grant for the purchase of their installation need to consider the rules on state aid. These generators must take a self assessment of FITs payments and other aids received. This could affect your eligibility and needs to be considered seriously.

For more information, [click here](#).

Large Solar PV Review by DECC

DECC are currently reviewing the success of super-sized solar photovoltaic (PV) installations and any risks they may bring to the scheme.

For more information, [click here](#).

FITs replaced the Renewable Obligation (RO) for many generators

In 2002, the government introduced the RO as an incentive for generating renewable energy. This enables generators to sell Renewable Obligation Certificates (ROCs), plus exported energy to an energy supplier.

FITs replaced the RO for all RO accredited generators up to 50kW, with a view to make the process as simple as possible. Generators which were commissioned before the 15th July 2009 and

accredited under the RO were able to join the FITs scheme in 2010. However, any generator which has not elected to move to FITs will no longer be eligible for the RO or FITs. For more information on migrated generators eligibility please contact us on **0800 404 9087***.

FITs aim to encourage generators to use energy onsite and save carbon

FITs are designed to encourage generators to use as much electricity onsite as possible, rather than exporting it. This is a carbon effective approach because during the process of transferring power across the transmission system, some of the power is 'lost'. This lost power is known as transmission losses and currently accounts for about 1.5% of the electricity transmitted. So by using the energy generated onsite, none or very little renewable energy will be lost due to transmission. In addition the site should see a corresponding decrease in electricity bills because less standard mixed energy will be required from their energy provider.

Who's who?

DECC (Department of Energy and Climate Change) are the governing body responsible for ensuring the UK continues to move to low carbon energy

supplies. Generators can contact DECC during FIT reviews to provide feedback on the scheme.

Ofgem (Office of the Gas and Electricity Markets) verify compliance with FITs requirements. Their role is to maintain the central FITs register; administer the levelisation process; accredit generators greater than 50kW or micro and small scale anaerobic digestion installations. As well as ensuring suppliers comply with the scheme.

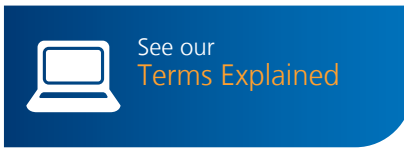
EDF Energy is a mandatory FITs licensee. We work closely with our customers in registering installations onto the FITs scheme. We also manage all payments to our FITs generators on a quarterly basis.

feed-in tariffs explained

Where can I get more information on FITs?

Click here to review the consultation documents produced by the DECC (Department of Energy and Climate Change), which include a detailed overview of FITs.

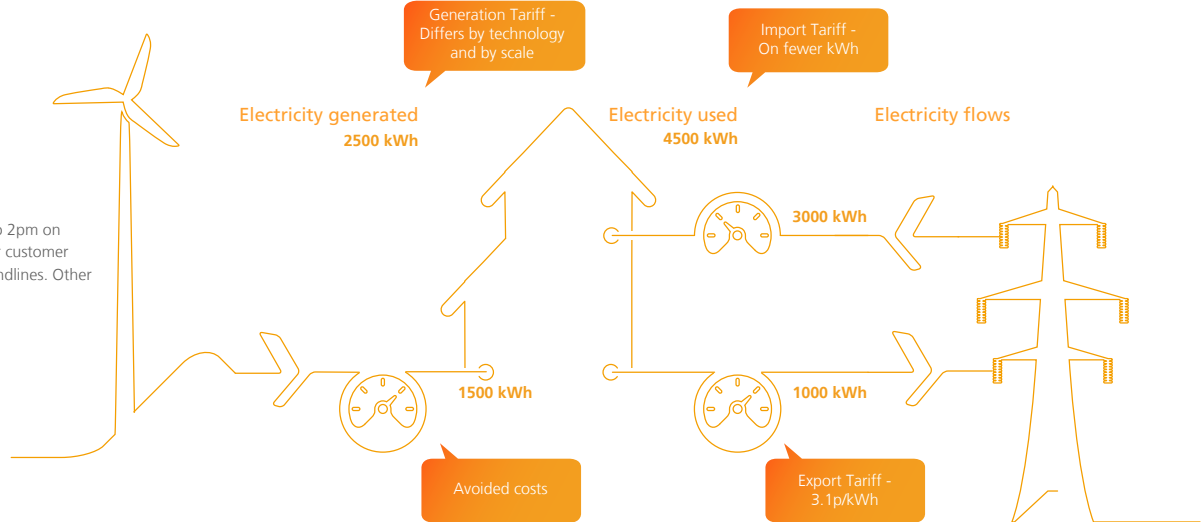
Alternatively please contact our dedicated Feed-in Tariffs Team on **0800 404 9087*** or **feedintariffs@edfenergy.com**



*Lines available 8am to 8pm Monday to Friday and 8.30am to 2pm on Saturday. Calls may be monitored and recorded as part of our customer care programme. Calls to '0800' numbers are free from BT landlines. Other network operators may charge for these calls.

Case study

Below is a case study which explains how the different tariffs within FITs will operate. We've taken the example of a small wind turbine generating energy over one year.



Calculating the benefit

Element	Before generation	After generation
Electricity bill	4,500 kWh x 10p = -£450	3,000 kWh x 10p = -£300
Generation payment	0	2,500 kWh x 28p = £700
Export payment	0	1,000 kWh x 3.1p = £31
Net benefit	-£450	£431



e-factsheet - a better way of working

Why an e-factsheet? At EDF Energy we are committed to using the most sustainable working practices wherever possible and this includes when delivering communications to our customers. E-factsheets significantly reduce the volume of printed material we need, reducing our carbon footprint and contributing towards our 2012 Climate Commitment pledges.

Our customers appreciate e-factsheets because they offer timely delivery of easy to access information in an ideal format for the modern screen based working environment.

savetodaysavetomorrow.com

To view our fuel mix visit edfenergy.com

EDF Energy Customers plc with registered number 2228297. EDF Energy 1 Limited with registered number 3986835.

Registered offices at 40 Grosvenor Place, Victoria, London, SW1X 7EN. Incorporated in England and Wales. EDF Energy 1 Limited acts as agent of EDF Energy Customers plc for the purposes of collecting all payments in connection with its supply contracts. The responsibility for performance of supply obligations rests with EDF Energy Customers plc.

The official Emblems of the London Organising Committee of the Olympic Games and Paralympic Games Ltd are © 2007 LOCOG. All rights reserved.

MBC-FS-FIT-003-0511

Save today. Save tomorrow.

