

INFORMATION LEAFLET No 3a

UK proposed generation tariff levels (Feed In Tariffs)

A feed-in-tariff (FIT) is a rate per kWh that your electricity supplier must pay you for generating electricity from a renewable source - see table below. Such renewable sources can be anything from a solar panel system to a wind turbine. This rate is paid regardless whether you use the electricity yourself or export it to the grid. Therefore on top of this rate you will get “free” electricity or a 5p per kWh paid to you by the electricity company.

Table of Feed-In-Tariffs (FITs) for 2010-11

Technology	Scale	Proposed initial tariff (p/kWh)	Annual degression (%)
Anaerobic digestion	Electricity only	9	0
Anaerobic digestion	CHP	11.5	0
Biomass	<50kW	9	0
Biomass	50kW-5MW	4.5	0
Biomass	CHP	9	0
Hydro	<10kW	17.0	0
Hydro	10–100kW	12.0	0
Hydro	100kW–1MW	8.5	0
Hydro	1-5MW	4.5	0
PV	<4kW (new build)	31.0	7
PV	<4kW (retrofit)	36.5	7
PV	4-10kW	31.0	7
PV	10–100kW	28.0	7
PV	100kW–5MW	26.0	7
PV	Stand alone system	26.0	7
Wind	<1.5kW	30.5	4
Wind	1.5–15kW	23.0	3
Wind	15–50kW	20.5	3
Wind	50–250kW	18.0	0
Wind	250–500kW	16.0	0
Wind	500kW–5MW	4.5	0
Existing micro generators transferred from RO ₃₄		9	N/A

Feed-in-tariff regulations exist in over 40 countries around the world and will come into force in the UK in April 2010. Installations which take place before April 2010 will still be eligible for the payment from April 2010. In addition permitted development rights have been introduced already removing the need for planning permission in many cases and the government plans to extend this further from April 2010 to include wind turbines.

The table above shows the proposed feed-in-tariffs to be introduced from April 2010. Note there is also available an **additional** 5p per kWh for units exported to the national grid. These tariffs will be guaranteed for 20-25 years but some technologies are subject to an annual degression (reduction). This degression is to encourage early adopters of these technologies and allows for the fact that the price of these technologies is likely to reduce in future years.

These tariffs are fixed at the levels applicable when you sign up to the feed in tariffs. If you sign up for feed in tariffs in 2010-11 you will receive the feed in tariff at the level shown in the table for the full term (20-25 years). Degression only affects new projects (e.g. if you signed up for a 6kw wind turbine in 2010-11 you would receive 23p tariff for 20 years. However if you signed up in 2011-12 a 3% degression would be applied to your 23p tariff meaning you would receive 97% of 23p for 20 years). In addition to degression the tariffs are subject to periodic reviews (the first one is planned for 2013) at which time the government could change the tariffs and degressions applying to new projects (again they cannot change those applicable to existing installations).

Information provided by [Paschali Engineering & Management Consulting](#) (extracted from Consultation on Renewable Electricity Financial Incentives document and other various sources) – 16 Oct 09