

*Draft licence modifications laid before Parliament under section 42(3) of the Energy Act 2008; draft to lie for forty days pursuant to section 42(4) of that Act, during which period either House of Parliament may resolve that the licence modifications not be made.*

## **ENERGY**

### **FEED-IN TARIFFS**

## **MODIFICATIONS TO THE STANDARD CONDITIONS OF ELECTRICITY SUPPLY LICENCES (No. 2 of 2012)**

The Secretary of State makes the following licence modifications in exercise of the powers conferred by section 41(1) of the Energy Act 2008 (“the Act”).

The Secretary of State has consulted the holders of any licence being modified, the Gas and Electricity Markets Authority and such other persons as the Secretary of State considered appropriate in accordance with section 42(1) of the Act.

A draft of these licence modifications is laid before Parliament in accordance with section 42(3) of the Act.

### **Modifications**

1. Schedule A to Standard Condition 33 of the standard conditions of supply licences granted, or treated as granted, under section 6(1)(d) of the Electricity Act 1989<sup>1</sup> is, with effect from 1st April 2012, modified as follows.

2. In the definitions, insert in the appropriate places—

““Connected Person”, in relation to a FIT Generator or a Nominated Recipient, means any person connected to that person within the meaning of section 1122 of the Corporation Tax Act 2010;” and

““Energy Efficiency Requirement” is to be interpreted in accordance with paragraphs 7 to 9 of Annex 2;”.

3. In Part 1, clause 4.2, for the words “until it has first confirmed” to the end, substitute—

“until it has first—

4.2.1 confirmed that the request relates to an MCS-certified Installation; and

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<sup>1</sup> Standard Condition 33 was inserted into the standard conditions of electricity supply licences with effect from 1st April 2010, and amended with effect from 1st August 2011, by modifications made by the Secretary of State under section 41(1) of the Act. A draft of further modifications was laid before Parliament on 19th January 2012, which it is intended should come into force on 3rd March 2012. The full text of Standard Condition 33 is available at [http://epr.ofgem.gov.uk/document\\_fetch.php?documentid=15997](http://epr.ofgem.gov.uk/document_fetch.php?documentid=15997).

- 4.2.2 obtained sufficient information to determine—
- (a) whether the Energy Efficiency Requirement applies in relation to the installation and, if so, whether that requirement is satisfied; and
  - (b) whether paragraph 11 of Annex 2 applies in relation to the installation.”.

4. For Annex 2, substitute Annex 2 as set out in the Schedule to this instrument.

Date *Name*  
Minister of State  
Department of Energy and Climate Change

## **SCHEDULE**

### **ANNEX 2**

#### FIT PAYMENT RATE TABLE

##### Interpretation of FIT Payment Rate Table

##### General

1. The FIT payment rate for an Eligible Installation of a description specified in the first column of the FIT Payment Rate Table (“the Table”) is, subject to paragraph 3, the applicable rate specified in the corresponding entry in the column for the FIT Year in which the installation’s Eligibility Date falls.
2. All FIT payment rates in the Table are pence per kilowatt hour at 2012/13 values.
3. The FIT payment rates in the Table apply in respect of electricity generated or exported on or after 1st April 2012. The FIT payment rates applying in respect of electricity generated or exported before 1st April 2012 are those set out in the FIT Payment Rate Table which was in force at the time of such generation or export.

##### Solar photovoltaic: application of higher, middle and lower FIT payment rates

4. The following paragraphs apply in relation to solar photovoltaic Eligible Installations which—
  - 4.1 have an Eligibility Date on or after 1st April 2012; and
  - 4.2 are of a description for which a higher rate, middle rate and lower rate are specified in the column of the Table headed ‘FIT Year 3 2012/13’.
5. In this paragraph and the following paragraphs—
  - 5.1 the following expressions have the same meanings as in the applicable EPB Regulations—

“asset rating”;

“dwelling”; and

“energy performance certificate”,

where “the applicable EPB Regulations” means—

(i) in relation to a building in England or Wales, the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007<sup>2</sup>; and

(ii) in relation to a building in Scotland, the Energy Performance of Buildings (Scotland) Regulations 2008<sup>3</sup>;

5.2 “energy efficiency rating” means an asset rating which is described on an energy performance certificate as an energy efficiency rating;

5.3 “rating band” means the band to which an asset rating is assigned, as shown on an energy performance certificate by a letter from A to G;

5.4 “relevant building” means a roofed construction having walls, for which energy is used to condition the indoor climate, other than such a building for which an energy performance certificate cannot be issued; and a reference to a relevant building includes a reference to part of such a building which has been designed or altered to be used separately;

5.5 “relevant installation” means a solar photovoltaic Eligible Installation described in paragraph 4.

6. The lower rate applies to a relevant installation if—

6.1 the Energy Efficiency Requirement applies in relation to that installation; and

6.2 on the installation’s Eligibility Date, that requirement is not satisfied.

7. The Energy Efficiency Requirement applies in relation to a relevant installation if that installation is—

7.1 attached to a relevant building; or

7.2 wired to provide electricity to one or more such buildings.

8. Where the Energy Efficiency Requirement applies in relation to a relevant installation, it is satisfied if an appropriate EPC for a relevant building to which the installation is attached or wired as mentioned in paragraph 7 certifies that the building has a qualifying asset rating.

9. For the purposes of paragraph 8—

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<sup>2</sup> S.I. 2007/991; the definitions of ‘asset rating’ and ‘energy performance certificate’ were amended by S.I. 2010/2214.

<sup>3</sup> S.S.I. 2008/309.

- 9.1 an appropriate EPC, in relation to a relevant building to which a relevant installation is attached or wired as mentioned in paragraph 7, is an energy performance certificate for that building which—
- (a) was issued on or before, but not more than 10 years before, the Eligibility Date of the installation; and
  - (b) was, on the Eligibility Date of the installation, the most recently issued energy performance certificate for that building; and
- 9.2 a qualifying asset rating is—
- (a) for a dwelling, an energy efficiency rating within rating bands A to D;
  - (b) for a building which is not a dwelling, an asset rating within rating bands A to D.
10. The middle rate applies to a relevant installation from its Eligibility Date if—
- 10.1 either-
- (a) the Energy Efficiency Requirement does not apply in relation to the installation; or
  - (b) the Energy Efficiency Requirement applies in relation to the installation, and, on the installation's Eligibility Date, that requirement is satisfied; and
- 10.2 paragraph 11 applies.
11. This paragraph applies if, at the date on which a request for accreditation of the relevant installation is received by the Authority or a FIT Licensee—
- 11.1 the FIT Generator for the relevant installation and any persons who are Connected Persons in relation to the FIT Generator (taken together) are, or have applied to be, the FIT Generator or Nominated Recipient for 25 or more other solar photovoltaic Eligible Installations on different Sites; or
- 11.2 the Nominated Recipient for the relevant installation (if there is one) and any persons who are Connected Persons in relation to the Nominated Recipient (taken together) are, or have applied to be, the FIT Generator or Nominated Recipient for 25 or more other solar photovoltaic Eligible Installations on different Sites.
12. Where notice is given to the Authority or a FIT Licensee of a change to the identity of the FIT Generator, or the nomination of a new Nominated Recipient, the middle rate applies to the relevant installation from the date on which that notice is received by the Authority or FIT Licensee if—
- 12.1 the higher rate previously applied to the installation; and
- 12.2 paragraph 13 applies.

13. This paragraph applies if, at the date on which notice of such a change or nomination is received by the Authority or a FIT Licensee, the new FIT Generator or Nominated Recipient (as the case may be) and any persons who are Connected Persons in relation to that person (taken together) are, or have applied to be, the FIT Generator or Nominated Recipient for 25 or more other solar photovoltaic Eligible Installations on different Sites.
14. The higher rate applies to a relevant installation if neither the lower rate nor the middle rate applies to it.
15. The tariff applying to a relevant installation cannot change—
  - 15.1 from the lower rate to the middle rate or the higher rate; or
  - 15.2 from the middle rate to the higher rate.

#### FIT Payment Rate Table

<i>Description</i>	<i>FIT Year in which the Eligibility Date of an Eligible Installation falls</i>		
	<i>FIT Year 1 2010/11</i>	<i>FIT Year 2 2011/12</i>	<i>FIT Year 3 2012/13</i>
Anaerobic digestion with total installed capacity of 250kW or less	12.7	If Eligibility Date is before 30th September 2011 12.7 If Eligibility Date is on or after 30th September 2011 14.7	14.7
Anaerobic digestion with total installed capacity greater than 250kW but not exceeding 500kW	12.7	If Eligibility Date is before 30th September 2011 12.7 If Eligibility Date is on or after 30th September 2011 13.6	13.6
Anaerobic digestion with total installed capacity greater than 500kW	9.9	9.9	9.9
Hydro generating station with total installed capacity of 15kW or less	21.9	21.9	21.9
Hydro generating station with total installed capacity greater than 15kW but not exceeding 100kW	19.6	19.6	19.6
Hydro generating station with total installed capacity greater than 100kW but not exceeding 2MW	12.1	12.1	12.1
Hydro generating station with total installed capacity greater than 2MW	4.9	4.9	4.9
Combined Heat and Power with total installed electrical capacity of 2kW or less (Tariff available only for 30,000 units)	11.0	11.0	11.0
Solar photovoltaic with total installed capacity of 4kW or less, where attached to or wired to provide electricity to a new building before first occupation	39.6	If Eligibility Date is before 3rd March 2012 39.6 If Eligibility Date is on or after 3rd March 2012 21.0	Higher rate 21.0 Middle rate 16.8 Lower rate 9.0

Description	FIT Year in which the Eligibility Date of an Eligible Installation falls		
	FIT Year 1 2010/11	FIT Year 2 2011/12	FIT Year 3 2012/13
Solar photovoltaic with total installed capacity of 4kW or less, where attached to or wired to provide electricity to a building which is already occupied	45.4	If Eligibility Date is before 3rd March 2012 45.4	Higher rate 21.0 Middle rate 16.8 Lower rate 9.0
		If Eligibility Date is on or after 3rd March 2012 21.0	
Solar photovoltaic (other than stand-alone) with total installed capacity greater than 4kW but not exceeding 10kW	39.6	If Eligibility Date is before 3rd March 2012 39.6	Higher rate 16.8 Middle rate 13.4 Lower rate 9.0
		If Eligibility Date is on or after 3rd March 2012 16.8	
Solar photovoltaic (other than stand-alone) with total installed capacity greater than 10kW but not exceeding 50kW	34.5	If Eligibility Date is before 3rd March 2012 34.5	Higher rate 15.2 Middle rate 12.2 Lower rate 9.0
		If Eligibility Date is on or after 3rd March 2012 15.2	
Solar photovoltaic (other than stand-alone) with total installed capacity greater than 50kW but not exceeding 100kW	34.5	If Eligibility Date is before 1st August 2011 34.5	Higher rate 12.9 Middle rate 10.3 Lower rate 9.0
		If Eligibility Date is on or after 1st August 2011 and before 3rd March 2012 19.9	
		If Eligibility Date is on or after 3rd March 2012 12.9	
Solar photovoltaic (other than stand-alone) with total installed capacity greater than 100kW but not exceeding 150kW	32.2	If Eligibility Date is before 1st August 2011 32.2	Higher rate 12.9 Middle rate 10.3 Lower rate 9.0
		If Eligibility Date is on or after 1st August 2011 and before 3rd March 2012 19.9	
		If Eligibility Date is on or after 3rd March 2012 12.9	
Solar photovoltaic (other than stand-alone) with total installed capacity greater than 150kW but not exceeding 250kW	32.2	If Eligibility Date is before 1st August 2011 32.2	Higher rate 12.9 Middle rate 10.3 Lower rate 9.0
		If Eligibility Date is on or after 1st August 2011 and before 3rd March 2012 15.7	
		If Eligibility Date is on or after 3rd March 2012 12.9	
Solar photovoltaic (other than stand-alone) with total installed capacity greater than 250kW	32.2	If Eligibility Date is before 1st August 2011 32.2	8.9
		If Eligibility Date is on or after 1st August 2011 8.9	
Stand-alone (autonomous) solar photovoltaic (not attached to a building and not wired to provide electricity to an occupied building)	32.2	If Eligibility Date is before 1st August 2011 32.2	8.9
		If Eligibility Date is on or after 1st August 2011 8.9	
Wind with total installed capacity of 1.5kW or less	37.9	37.9	35.8
Wind with total installed capacity greater than 1.5kW but not exceeding 15 kW	29.3	29.3	28.0

<i>Description</i>	<i>FIT Year in which the Eligibility Date of an Eligible Installation falls</i>		
	<i>FIT Year 1 2010/11</i>	<i>FIT Year 2 2011/12</i>	<i>FIT Year 3 2012/13</i>
Wind with total installed capacity greater than 15kW but not exceeding 100kW	26.5	26.5	25.4
Wind with total installed capacity greater than 100kW but not exceeding 500kW	20.6	20.6	20.6
Wind with total installed capacity greater than 500kW but not exceeding 1.5MW	10.4	10.4	10.4
Wind with total installed capacity greater than 1.5MW	4.9	4.9	4.9
Eligible Installations with a declared net capacity of 50kW or less Commissioned on or before 14th July 2009 and accredited under the ROO on or before 31st March 2010	9.9	9.9	9.9
EXPORT TARIFF	3.2	3.2	3.2