

Feed-in tariffs (FITs) and grants

The FITs scheme is intended to replace, not supplement, public grant schemes as the principal means of incentivising small scale, low-carbon electricity generation. Because of this, and to ensure value for money for consumers and compliance with EU law on state aids, it is generally not possible for a generator to benefit from both FITs and a grant from a public body except in specific circumstances.

The [FITs Order 2011\[External link\]](#) includes changes intended to ensure this policy intent is fully reflected in the operation of the FITs scheme, particularly in light of the additional clarification provided following the European Commission's consideration of the FITs scheme in relation to state aid ([decision N94/2010\[External link\]](#)).

Final decisions on eligibility are the responsibility of [Ofgem\[External link\]](#). Ofgem may not accredit for FITs any installation that has received a grant from a public body, except in certain circumstances. Since 30 May 2011, when the Feed-in Tariffs (Specified Maximum Capacity and Functions) Amendment Order 2011 came into effect, these exemptions are where the grant is:

1. made before 1 July 2011 for an installation that is first commissioned before 1 October 2011 where the combination of FITs and grants is in accordance with the EU de minimis regulations
2. a permitted grant (as specified in Article 8 of the Amendment Order), i.e. those made:
 - before 1 April 2010 in respect of the costs of:
 - an eligible installation first commissioned before 15 July 2009; or
 - an eligible installation on a residential property first commissioned between 15 July 2009 and 31 March 2010; or
 - in respect of justifiable additional non-standardised costs, i.e. additional costs incurred as a result of measures taken to reduce the environmental impact of an installation.

Further information on these exemptions is available from Ofgem's website. In the first instance, domestic and other interest groups who are thinking of installing schemes of less than 50kW (microgeneration schemes) are advised to contact a FITs supplier via the [Ofgem: Registered Feed-in Tariff licensed suppliers\[External link\]](#) web page for information including further guidance on eligibility for FITs. Those interested in schemes of more than 50kW can get full information on matters of eligibility and accreditation for those schemes from the [Ofgem: Feed-in-Tariffs\[External link\]](#) web page.

Information on the technology for commercial scale installations can be obtained from the [Carbon Trust\[External link\]](#).