

Department of Energy & Climate Change
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www.decc.gov.uk

26 March 2012

Our ref: 12/0333

Dear ,

RE: Underlying cost and benefits of Feed-in-Tariffs scheme

Thank you for your Freedom of Information requests received on 29 February as set out below.

Your requests, received 29 February from ;

“In the document:

Impact Assessment of Feed-in Tariffs for Small-Scale, Low Carbon, Electricity Generation (URN10D/536)

Figures of £8.2 billion costs and £420 million benefits are given for the Feed-in Tariffs Scheme.

I wish to see the underlying calculations for these figures.

Please forward to this email address or advise where on-line they can be viewed.”

I should first point out that the Impact Assessment (IA) to which you referred was published at the start of the Feed-in Tariffs scheme in early 2010 and has since been updated. Nonetheless, qualitative and quantitative reports¹, which were prepared by independent consultants and published alongside the *Consultation on Renewable Electricity Financial Incentives* in July 2009

¹ “Quantative analysis of the design of Feed-in Tariffs” and “Report on qualitative issues in the design of the GB Feed-in Tariffs”

(http://www.decc.gov.uk/en/content/cms/consultations/elec_financial/elec_financial.aspx), present the data used for the development of the scheme. Data from these reports together with the evidence base set out in the IA (URN10D/536 – pages 4-17) as referenced and the Treasury's Green Book guide for IAs, explains the underlying calculations for the figures stated. Impact Assessments are normally carried out in accordance with the guidance on preparing them as set out within the Treasury's Green Book, which can be viewed at http://www.hm-treasury.gov.uk/data_greenbook_index.htm.

As you may be aware, the scheme is currently under review, and reform proposals have been published in separate phases. Consequently, new Impact Assessments were recently published alongside the Government response to the Phase 1 consultations and the Phase 2 consultation documents. These documents can be viewed at www.decc.gov.uk/fits.

If you are dissatisfied with the handling of your request, you have the right to ask for an internal review. Internal review requests should be submitted within two months of the date of receipt of the response to your original letter and should be addressed to the DECC Information Rights Unit (foi@decc.gsi.gov.uk)

Please remember to quote the reference number above in any future communications.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.

Yours sincerely,

Feed-in Tariffs Policy Development
Office of Renewable Energy Deployment
Department of Energy and Climate Change – www.decc.gov.uk