



Department for
Business, Energy
& Industrial Strategy

Feed-In Tariffs Deadlines

Government response on measures to mitigate COVID-19 commissioning delays to pre-registered and pre-accredited installations



OGL

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Introduction

On 31 March 2020, the Feed-In Tariffs (Amendment) (Coronavirus) Order 2020¹ came into force, extending validity periods for installations pre-registered and pre-accredited to the Feed-In Tariffs (FIT) scheme and most immediately affected by COVID-19 delays (i.e. projects with validity periods ending between 1 March – 30 September 2020). This legislation provides those affected prospective generators with more time in which to commission and accredit their installations.

Hydro installations with preliminary accreditation expiring after 30 September 2020 are potentially also at risk of missing their deadlines due to COVID-19 related delays. The government issued a consultation seeking views on a proposal to assist such installations with a 12-month extension, as well as on whether the current six-month extension provided to immediately affected installations (across all technologies) was sufficient in the current circumstances. The consultation was open for four weeks and closed on 17 July. 50 responses were received; and a list of respondents can be found in Annex A.

Summary of decisions

Government has considered the comments and evidence provided and has decided to:

- a. Provide a 12-month extension to all hydro installations with initial accreditation deadlines falling on or after 1 October 2020.
- b. Increase to 12 months the six-month extension granted to all installations with initial accreditation deadlines falling between 1 March and 30 September 2020.

This means that:

- ROO-FIT scale hydro installations will have their validity period extended to 36 months; with all such validity periods expiring either on or before 31 March 2022.
- ROO-FIT scale community hydro installations will have their validity period extended to 42 months; with all such validity periods expiring either on or before 30 September 2022.
- ROO-FIT scale anaerobic digestion (AD) and wind installations will have their validity period extended to 24 months; with all such validity periods expiring either on or before 31 March 2021.
- ROO-FIT scale community solar PV installations will have their validity period extended to 24 months; with all such validity periods expiring either on or before 31 March 2021.
- ROO-FIT scale community AD and wind installations will have their validity period extended to 30 months; with all such validity periods expiring either on or before 30 September 2021.

¹ <https://www.legislation.gov.uk/ukSI/2020/375/contents/made>

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- MCS-scale community solar PV installations will have their validity period extended to 24 months; with all such validity periods expiring on or before 31 March 2021.

A summary of the points raised in the consultation are set out in the remainder of this document. A statutory instrument amending the Feed-in Tariffs Order 2012 will be laid in Parliament, and subject to the will of Parliament, the amendments will come into force on 30 September 2020.

Responses to the consultation

Hydro installations with initial accreditation deadlines falling on or after 1 October 2020

We proposed that hydro installations with initial accreditation deadlines falling on or after 1 October 2020 should benefit from a 12-month extension.

44 respondents from the hydro and community energy sectors commented on the proposal, all welcomed and fully supported the proposed 12-month extension. There was also a consensus that it would be disproportionate to require assessment of the appropriateness of the extension on a case by case basis.

Many respondents provided details of how the COVID-19 situation had affected their projects and this supported the evidence already received from the sector as set out in the consultation document i.e. site closures, supply chain pressures, electrical connection issues and seasonality of construction (which many suggested meant that an extension of less than 12 months would not be helpful given that the 2020 summer window has been lost or compromised).

Several respondents also stressed how important the extension was to provide sufficient confidence to financial lenders to continue supporting the hydro schemes.

With regard to the appropriateness of the 12-month extension, the only caveat made by some respondents was if there was a resurgence of the virus. It was suggested that if there was a prolongation or return of restrictions this could have the potential for the extended deadline being missed.

One respondent who was involved with two installations that had recently been cancelled due to COVID-19 impacts, suggested an 18-month extension to allow these to re-start and complete. Another respondent suggested a 24-month extension because of the uncertainty surrounding a possible resurgence of COVID-19 and possible re-introduction of restrictions causing further delays.

Eight other respondents suggested that given the continuing uncertainty and potential for the re-introduction of lockdown measures there was a need to keep the length of the extension under review. One respondent suggested the legislation should be drafted providing a flexible extension to cover the possibility of further spikes in the virus.

No unintended or undesirable consequences of the extension were raised.

One issue, beyond the scope of the consultation, was raised by four respondents (including the British Hydropower Association). This was a suggestion that BEIS should take this opportunity to ensure that the allocated FIT budget was fully utilised by ensuring that any cancelled installations due to COVID-19 delays were replaced by other shovel ready projects that had not made the 50MW hydro cap at scheme closure. They suggested the projects would be built if they were to be eligible for FIT and could be delivered by the March 2022 (the deadline that would apply when the 12-month extension was approved).

Government decision

Government has considered the comments and evidence provided and has decided to provide **a 12-month extension to all hydro installations with initial accreditation deadlines falling on or after 1 October 2020.**

It is not possible under current primary legislation to provide for a flexible extension. A 12-month extension is considered a reasonable and proportionate response and sufficient to enable hydro installations to secure completion in the current circumstances. At this stage there is no intention to review but should evidence come to light this would be reconsidered.

This means that:

- ROO-FIT scale hydro installations will have their validity period extended to 36 months; with all such validity periods expiring on or before 31 March 2022.
- ROO-FIT scale community hydro installations will have their validity period extended to 42 months; with all such validity periods expiring on or before 30 September 2022.

It should be noted that a hydro installation will also be able to benefit from a further 12-month extension if it meets the necessary grid delay grace period criteria introduced at scheme closure.²

² Further details of the grace period can be found in Ofgem's [Essential Guide to Closure of the Scheme](#)

Installations benefitting from extended accreditation under previous emergency legislation

We also sought views on whether the existing six-month extension across all technologies was an effective length of time given the current circumstances or whether there was a need to extend the deadline further.

19 respondents commented on this part of the consultation and some included details of how their individual installations had been impacted over the last few months. The joint response from Community Energy England, Wales and Scotland included input from 13 members and associated organisations.

Hydro

Six respondents suggested that a six-month extension was not sufficient; and that a 12-month extension was essential because of the criticality of the seasonal in-river works. It was also suggested that with supply chain impacts continuing and working conditions still not returned to normal (with social distancing restrictions in place), it was essential that a longer extension period was provided.

No unintended or undesirable consequences of a further six-month extension were raised.

Wind

Three respondents cited a high level of nervousness from project funders due to the uncertainty over future disruption, especially in international supply chains and utility works where they have directly experienced significant delay in responses from water and power utilities.

It was suggested that a further three to six-month extension would have a positive impact in ensuring that their deadlines were not missed due to Covid-19 related disruption.

No unintended or undesirable consequences of a further extension were raised.

Solar PV

Eight respondents provided details of impacts experienced which varied across England, Wales and Scotland. In the joint response from Community Energy England, Wales and Scotland it was acknowledged that whilst the majority of installations have been able to use the current extension to complete, a significant remainder were still impacted and endangered. These impacts included:

- difficulty in returning to normal construction speeds (with social distancing restrictions) and dealing with a backlog of work;
- network companies being focussed on essential work only; the supply chain struggling to get appropriate level of equipment and materials;
- restrictions remaining in place for indoor works preventing completion of installation;
- delays in councils being able to make decisions and support community energy projects due to staff being diverted onto other frontline essential work and committee meetings being suspended;

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- delays in finalising legal documents (for siting solar PV on third party roofs); community buildings still being closed;
- staff working for community groups being furloughed preventing work on the projects from progressing;
- risk assessments and new procedures for safe working on site (particularly schools) being required and needing to be signed off by PV companies and external agencies.

It was suggested that work on school installations had been particularly challenging in recent months as the sector had been dealing with its own COVID-19 pressures, with respondents expecting this to continue at least over the rest of the summer months. There was also a general uncertainty about future outbreaks of the virus and the need for the re-introduction of working restrictions which could impact the September deadline.

A number of suggestions were made on the length of a further extension ranging between three and six months and a 12-month extension (particularly for projects on schools in Wales and Scotland). The joint response from Community Energy England suggested that “The best, safest, least bureaucratic solution (which won't need to be revisited even if circumstances change) is a full year's extension to September 2021. That will give schools particularly the security of an easter and summer holiday to complete. This will enable all the pre-registered projects stalled by Covid-19 to build out.”

No unintended or undesirable consequences of a further extension, whatever the duration, were raised.

Anaerobic digestion

No responses were received from the sector.

Government decision

Government has considered the comments and evidence provided and acknowledges that since disruption caused by COVID-19 is still being experienced by the sector, the current six-month extension may be insufficient for some installations to complete.

Government has decided **to increase the current extension by six months to 12 months for all installations with initial accreditation deadlines falling between 1 March and 30 September 2020**. This is considered proportionate and simple and will provide parity for installations across all the technologies. This will mean that:

- ROO-FIT scale hydro installations will have their validity period extended to 36 months; with all such validity periods expiring on or before 31 March 2022.
- ROO-FIT scale community hydro installations will have their validity period extended to 42 months; with all such validity periods expiring on or before 30 September 2022.
- ROO-FIT scale anaerobic digestion (AD) and wind installations will have their validity period extended to 24 months; with all such validity periods expiring on or before 31 March 2021.

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- ROO-FIT scale community solar PV installations will have their validity period extended to 24 months; with all such validity periods expiring on or before 31 March 2021.
- ROO-FIT scale community AD and wind installations will have their validity period extended to 30 months; with all such validity periods expiring on or before 30 September 2021.
- MCS-scale community solar PV installations will have their validity period extended to 24 months; with all such validity periods expiring on or before 31 March 2021.

Government does not consider it appropriate to increase the current extension by 12 months so that school solar projects can use the 2021 summer holiday period to install. These projects were working to initial accreditation deadlines in March 2020 and not during a summer holiday period.

It should be noted that an installation will also be able to benefit from a further 12-month extension if it meets the necessary grid delay grace period criteria introduced at scheme closure³.

³ Further details of the grace period can be found in Ofgem's [Essential Guide to Closure of the Scheme](#)

Annex A: List of respondents

Adrian Laycock Ltd	Green Blades Engineering
Agrimony Ltd	Greenearth Hydro Ltd
Apteco Ltd	Guisachan Hydro
Awel Aman Tawe/Egni	H2O Power Group
Bespoke Community Development CIC	Hunter Hydro Services
Bristol Energy Cooperative	Hydropol (x2)
British Hydropower Association	KPT Development Trust
Close Leasing Limited	Lochaber Environmental Group & LEG Power
Community Energy England (Joint response)	Locogen Limited
Community Energy Wales (Joint response)	MannPower
Community Energy Scotland (Joint response)	Morben Hydro
Derwent Hydroelectric Power	National Trust
Dickins Hydro Resources	Neil Cameron Associates
Drim Lee Ltd	Ofgem
Dŵr Cymru Welsh Water	Raasay Development Trust
Egni Mynydd Cyf	Reading Hydro CBS
Energy Agency Renewables Ltd	RWE Renewables UK
Energy Saving Trust	Scottish Government
Energy UK	Scottish Renewables
Equitix	SIMEC GHR Limited
Gavinburn Hydro Scheme	SIMEC-GFG Alliance
Gilkes Energy	SSE Renewables
Glasgow Community Energy (x3)	The Pollockshields Trust
Glen Hydro Group	Vento Ludens Ltd
Glendevon Hydro Developments	

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