



Department  
of Energy &  
Climate Change

Department of Energy & Climate Change  
3 Whitehall Place,  
London SW1A 2AW  
E: [foi@decc.gsi.gov.uk](mailto:foi@decc.gsi.gov.uk)  
[www.decc.gov.uk](http://www.decc.gov.uk)

Via email

Our ref: 13/0639,13/0649, 13/0660, 13/0709, 13/0718 and 13/0722

Dear

Thank you for your emails between 21st May and 5th June 2013 where you requested the following information under the Freedom of Information Act:

"How much has the Department for Energy and Climate Change given in subsidy to RWE Npower in each of the last five years; and to what projects was such money allocated?(13/0639)

How much has the Department for Energy and Climate Change given in subsidy to EDF in each of the last five years; and to what projects was such money allocated? (13/0649)

How much has the Department for Energy and Climate Change given in subsidy to SSE in each of the last five years; and to what projects was such money allocated? (13/0660)

How much has the Department for Energy and Climate Change given in subsidy to Scottish Power in each of the last five years; and to what projects was such money allocated? (13/0709)

How much has the Department for Energy and Climate Change given in subsidy to British Gas / Scottish Gas in each of the last five years; and to what projects was such money allocated? (13/0718)

How much has the Department for Energy and Climate Change given in subsidy to E.ON in each of the last five years; and to what projects was such money allocated? (13/0722)

Some of the information which you have requested constitutes environmental information for the purposes of the Environmental Information Regulations 2004 (EIRs). However, to the extent that the information requested is not environmental we have also considered your request under the Freedom of Information Act 2000 (FOIA). Accordingly, your request has been considered under the terms of FOIA and EIRs.

We consider that it is appropriate to aggregate your requests under section 12(4) of the FOIA, as prescribed by the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004. As the requests relate to the same or similar information and were received by the Department within a period of 60 consecutive working days of each other. In such circumstances the estimated cost of complying with any of the requests is to be taken to be the estimated total cost of complying with all of them.

The Department maintains a financial system that captures all of the transactions it makes including payments made to suppliers. A monthly list of all financial transactions spending over £500 made by the Department from April 2010 to April 2013 are published online at:

<https://www.gov.uk/government/publications/departmental-spend-over-500-april-2013>

Suppliers on this system may include RWE Npower, EDF, SSE, Scottish Power, British Gas/Scottish Gas or E.ON. When creating a record for suppliers on this system we do not, however, specify if they are a subsidiary of RWE Npower, EDF, SSE, Scottish Power, British Gas/Scottish Gas or E.ON. As a result, whilst some payments recorded on this system may have been made to suppliers that are clearly part of these energy companies, others may have been made that are not readily apparent. The system does not have a classification for subsidy. Making a retrospective classification for all payments made on this system under the heading of subsidy and the time it would take to identify payments made to each energy company and their subsidiaries would exceed the FOI cost limit.

Section 12 (1) of the FOIA makes provision for public authorities to refuse requests for information where the cost of dealing with them would exceed the appropriate limit, which for central government this is set at £600. This represents the estimated cost of one person spending 3.5 working days in determining whether the Department holds the information, locating, retrieving and extracting the information. We estimate that it will take us in excess of 3.5 working days to determine appropriate material and locate, retrieve and extract the information in reference to your request.

Insofar as the information requested constitutes environmental information, we have been unable to meet your request because in our view, and for the reasons set out above, the exception in Regulation 12(4)(b) of the EIRs applies. This exception provides that a public authority may refuse to disclose information to the extent that the request for information is manifestly unreasonable.

In applying this exception, we have considered the public interest in disclosing the information. We have applied a presumption in favour of disclosure as required by Regulation 12(2). We acknowledge that there may be public interest in the information you have requested. Greater transparency makes the government more accountable to the electorate and increases trust and also enables the public contribution to policy making to become more effective. However, we consider the balance of the public interest lies in favour of withholding the information. This is because your request would place a substantial and unreasonable burden on the resources of the Department and on balance, therefore, we consider that the public interest would be better served deploying our resource in undertaking core work of the Department

If you send us a new, more specific request, we will consider if that can be dealt with within the limit. In this event, you may wish to refine your request by narrowing its scope by being more specific about what information you particularly wish to obtain. This may include specifying a particular part of the Department that you are interested in receiving information from (e.g. Finance, or the Office for Renewable Energy Deployment (ORED) for potential subsidies relating to renewable electricity generation), significantly reducing your time scales (e.g. to the most recent completed financial year), and seeking information about a specific subsidy regime.

We do not classify grant funding as 'subsidy' but we are including the following information on innovation funding for the development of low carbon-technologies for the sake of completeness:

<https://www.gov.uk/innovation-funding-for-low-carbon-technologies-opportunities-for-bidders#how-decc-funding-has-been-allocated>

(Please note – not all the funding outlined on this webpage is administered by DECC.)

In addition, Ofgem administers the Renewable Obligations (RO) and the Feed-in Tariffs (FiTs) schemes on behalf of the Department.

The Renewables Obligation (RO) scheme provides market based support for the deployment of large scale renewable electricity generation. It places an obligation on licensed UK electricity suppliers to submit a specified number of renewables obligation certificates (ROCs) in respect of each megawatt hour of electricity they supply to customers, or to make a 'buy-out' payment. Ofgem, who administer the scheme, hold source information about its operation but the following paragraphs set out how companies you have specified benefit from the scheme.

Firstly, ROCs are issued to accredited generators by Ofgem on the basis of their reported renewable generation. Information on the number of ROCs issued to all accredited stations is published in the ROC register. This is available on Ofgem's web site at: <https://www.renewablesandchp.ofgem.gov.uk/>. It should be noted that it is not always clear from the register who owns which generation assets. Any detailed enquiries relating to the ROC Register should be addressed directly to the Renewables Team at Ofgem (hotline 020 7901 7310 or email [renewable@ofgem.gov.uk](mailto:renewable@ofgem.gov.uk)).

An estimate of the value of support for each generating station can be calculated by multiplying the number of ROCs issued by the value of the ROC. The nominal value of a ROC in any given year is equal to the buyout price (the amount a supplier must pay for every ROC they do not present to Ofgem in order to comply with their obligation) plus the recycle value (the amount re-distributed to suppliers from the buyout and late payment funds on a pro-rata basis depending on how many ROCs they presented to Ofgem) for that year. The nominal value represents the maximum worth of a ROC to a generator but is not necessarily the amount paid by a supplier. The nominal value of a ROC for each of the last five years is given in the table below. This information is published by Ofgem in their RO annual report and copies are available here: <http://www.ofgem.gov.uk/Sustainability/Environment/RenewablObl/Pages/RenewablObl.aspx>

Year	Nominal ROC Value
2007/08	£52.95
2008/09	£54.37
2009/10	£52.36
2010/11	£51.34
2011/12	£42.27

Secondly, licensed suppliers fulfil their obligations under the RO by presenting ROCs acquired from generators, by making a fixed 'buy-out' payment per ROC, or through a combination of both. If suppliers pay into the buy-out fund late (i.e. after the August deadline), these payments are collected in a 'late-payments' fund. The money collected by Ofgem in these funds is redistributed on a pro-rata basis to suppliers who presented ROCs. The following tables summarise the net payment from the buy-out and late payment funds for each company you have specified, for 2011-12 and 2010-11. Negative figures are the net cost to individual suppliers for presenting insufficient ROCs to Ofgem to fulfil their obligation.

2011-12:

<b>Supplier Group</b>	<b>Net value of buy-out/late payment funds redistributed to Supplier Groups (£)</b>
RWE Npower plc	- 10,906,234.34
EDF Energy plc	- 7,937,779.68
E.ON Energy Limited	21,433,350.56
British Gas Trading Limited	- 10,110,221.94
SSE Energy Supply Limited	1,171,971.87
Scottish Power Energy Retail Limited	9,755,657.00

Source: Table A2: Summary of supplier compliance 2011-12, Renewable Obligations Annual Report: 2011-12 (Ofgem)

2010-11:

<b>Supplier Group</b>	<b>Net value of buy-out fund/late payment funds redistributed to Supplier Groups (£)</b>
RWE Npower plc	- 28,076,899.39
EDF Energy plc	4,350,137.34
E.ON Energy Limited	- 26,741,514.90
British Gas Trading Limited	19,622,426.65
SSE Energy Supply Limited	54,063,651.62
Scottish Power Energy Retail Limited	6,754,017.93

Source: Table A2: Summary of supplier compliance 2010-11, Renewable Obligations Annual Report: 2010-11 (Ofgem)

For the years 2009-10, 2008-09 and 2007-08 this data is not available in aggregated form. However, this data is publically available and is published annually by Ofgem as part of their RO annual report.

Since April 2010, under the FITs scheme, generators of low carbon electricity installations with a maximum capacity of up to 5 MW are paid for generating and exporting electricity to the grid. Electricity suppliers (FITs licensees) can then recover this money by "passing through" this cost to their consumers – DECC does not dictate how they should do this.

Individual suppliers decide how to recover the costs and how to share them among their domestic and business customers. They may also separately identify on electricity bills the amount attributable to individual environmental programmes, such as FITs or the Renewables Obligation.

The attached table sets out the actual and predicted costs of the FITs scheme.

### **Appeals procedure**

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 Security & Information Rights Unit ([foi@decc.gsi.gov.uk](mailto:foi@decc.gsi.gov.uk)).

Security & Information Rights Unit (DECC Shared Services)  
Department for Business, Innovation & Skills  
1 Victoria Street  
London  
SW1H 0ET

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,

Spend, £m, 2011/12 prices, undiscounted - consistent with LCF figures and Jan 2013

RPI forecast

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Total</b>	<b>151*</b>	<b>480</b>	<b>600</b>	<b>730</b>	<b>850</b>	<b>950</b>	<b>1050</b>	<b>1130</b>	<b>1180</b>	<b>1220</b>