ENERGY

FEED-IN TARIFFS

MODIFICATIONS TO THE STANDARD CONDITIONS OF ELECTRICITY SUPPLY LICENCES

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 has been laid before Parliament in accordance with section 42(3) of the Act. Neither House of Parliament resolved, within the 40-day period referred to in section 42(4), that the Secretary of State should not make the licence modifications.

Modification to the standard conditions of electricity supply licences

1. The standard conditions of supply licences granted, or treated as granted, under section 6(1)(d) of the Electricity Act 1989 are modified by inserting after Standard Condition 32:

"Condition 33: Feed-in Tariffs

Application of Schedule A

- 33.1. Where the licensee is a Mandatory FIT Licensee, it shall comply with the provisions of Part 1 of Schedule A with effect on and after 1st April 2010.
- 33.2. Where the licensee is a Voluntary FIT Licensee, it shall comply with the provisions of Part 2 of Schedule A with effect on and after 1st April 2010.
- 33.3. The licensee shall comply with Part 3 of Schedule A (FIT obligations applicable to all licensees) with effect on and after 1st April 2010.

FIT Payments by the Licensee to FIT Generators

33.4. Where the licensee is either a Mandatory FIT Licensee or a Voluntary FIT Licensee, it shall make FIT Payments to FIT Generators or Nominated Recipients in accordance with the provisions of Schedule A.

Compliance and Sanctions

33.5. The provisions of this Section C and Schedule A to Standard Condition 33 of this licence are "relevant conditions" for the purposes of section 25(8) of the Act and a non-complying licensee shall be subject to the enforcement powers of the Gas and Electricity Markets Authority under the Act.

Condition 34: Implementation of Feed-in Tariffs

34.1. The licensee shall take such steps and do such things as are within its power in relation to any consequential amendments to the Codes as are or may be necessary or appropriate in order to give full and timely effect to the modifications to this Licence made by the Secretary of State pursuant to section 41(1) of the Energy Act 2008.

- 34.2. The licensee shall cooperate with all other Electricity Suppliers, and such other persons as the Authority may determine, to contribute to the full and timely implementation of feed-in tariffs.
- 34.3. If the licensee becomes aware of any conflict between its compliance with the provisions of Standard Condition 33 and Schedule A and its compliance with any other condition of this licence or any Code, document or agreement to which the licensee is obliged to be or become a party pursuant to this licence, the licensee shall forthwith give written notice of such conflict to the Authority and shall comply with any direction of the Authority in relation to the same, which direction may only be made following consultation with the licensee and such persons as the Authority deems appropriate.

SCHEDULE A TO STANDARD CONDITION 33 OF THE ELECTRICITY SUPPLY LICENCE

DEFINITIONS AND INTERPRETATION

"Accredited FIT Installation"

means an Eligible Installation which the Authority has both determined is suitable for participation in the Scheme and entered onto the Central FIT Register in accordance with the FIT Order:

"Affiliate"

means in relation to an Electricity Supplier any holding company or subsidiary or subsidiary undertaking of a holding company of the licensee in each case within the meaning of the Companies Act 2006:

"Cancellation of Export Payment Opt Out Notification" means a notice in writing from a FIT Generator to a FIT Licensee in terms of which the FIT Generator elects to resume receipt of Export Payments from a date specified therein;

"Central FIT Register"

means the register kept and maintained by the Authority for the purpose of recording details of FIT Generators, Accredited FIT Installations and other such matters relating to the Scheme;

"Commissioned"

means, in relation to an Eligible Installation, the completion of such procedures and tests as constitute, at the time they are undertaken, the usual industry standards and practices for commissioning that type of Eligible Installation in order to demonstrate it is capable of operation;

"Complaints Procedure"

means the procedure available to a FIT Generator in the event it has a complaint about any action taken by a FIT Licensee in relation to this Scheme; "Confirmation Date"

means the date on which the FIT Generator is entered onto the Central FIT Register by the Authority, such that its Eligible Installation becomes an Accredited FIT Installation;

"Declared Net Capacity"

means the maximum capacity at which the installation can be operated for a sustained period without causing damage to it (assuming the source of power used by it to generate electricity was available to it without interruption) less the amount of electricity that is consumed by the plant;

"Deemed Export"

means Export from an Accredited FIT Installation which may be deemed to be a percentage of the equivalent Generation Meter Reading from the same Accredited FIT Installation and period, in the event it is not possible or practical to measure it by way of Export Meter Readings, to be determined in accordance with the methodology determined by the Secretary of State as set out in the FIT Order;

"Deemed Export Reading"

means the data by reference to which the FIT Licensee may calculate the Export Payment as regards the Deemed Export of an Accredited FIT Installation;

"EA08"

means the Energy Act 2008;

"Eligibility Date"

means the date as regards a particular Eligible Installation from which eligibility for FIT Payments commences which shall be the later of the date:

- (a) as applicable, of
 - (i) receipt by the Authority of a FIT Generator's written request for ROO-FIT Accreditation in a form acceptable to the Authority; or
 - (ii) receipt by a FIT Licensee of a FIT Generator's written request for MCS-certified Registration;
- (b) on which the Eligible Installation is Commissioned; or
- (c) of Implementation;

"Eligibility Period"

means the maximum period during which a FIT Generator can receive FIT Payments for a particular Eligible Installation, as set out in the table at Annex 1;

"Eligible Installation"

means, on a Site, any Plant Owned by a FIT Generator capable of producing Small-scale Low-carbon Generation from the same type of Eligible Low-carbon Energy Source, the Total Installed Capacity of which does not exceed the Specified Maximum Capacity;

"Eligible Low-carbon Energy Source" means the following sources of energy or technology:

- (a) anaerobic digestion, as defined in the ROO;
- (b) hydro generating station, as defined in the ROO;
- (c) combined heat and power with an electrical capacity of 2kW or less;
- (d) solar photovoltaic;
- (e) wind,

which may be amended from time to time by the Secretary of State insofar as the scope remains consistent with the sources of energy and technologies identified in s.41(5) EA08;

"Export"

means the flow of electricity at any instant in time from an Eligible Installation onto a distribution system or transmission system and, if the FIT Licensee so elects, accounted for in settlement in accordance with the BSC, and Export used as a verb shall be construed accordingly;

"Export Meter"

means a meter which measures the quantity of Export which, if registered pursuant to the BSC, such registration is to be the responsibility of the FIT Licensee;

"Export Meter Reading"

means the measure by an Export Meter of the amount of Export;

"Export Payment"

means the sum paid to the FIT Generator or Nominated Recipient, as applicable, by a FIT Licensee, for FIT Export in any period, calculated by reference to the Export Tariff and Export Meter Reading or Deemed Export Reading;

"Export Payment Opt Out Notification" means a notice in writing from a FIT Generator to a FIT Licensee in terms of which the FIT Generator opts out of receiving Export Payments from a date specified therein;

"Export Tariff"

means the payment rate per kilowatt hour for FIT Export from an Accredited FIT Installation as set out in the FIT Payment Rate Table at Annex 2;

"Extension"

means a modification to an Accredited FIT Installation to increase its Total Installed Capacity from the same Eligible Low-carbon Energy Source, and Extend as a verb shall be construed accordingly;

"FIT Export"

means Export or Deemed Export from an Accredited FIT Installation in relation to which a FIT Generator has requested to receive Export Payments in accordance with Part 1, clause 7.1;

"FIT Generator"

means the Owner, identified as such in the Central FIT Register, of an Eligible Installation used or intended to be used for Small-scale Low-carbon Generation, whether or not that person is also operating or intending to operate the Eligible Installation;

"FIT Licensee"

means the collective term for Mandatory FIT Licensees and Voluntary FIT Licensees;

"FIT Notification"

means the notification to be submitted to the Authority by the licensee on or before 14 February in each year to confirm whether the licensee is:

- (a) a Mandatory FIT Licensee; or
- (b) a Voluntary FIT Licensee; or
- (c) neither a Mandatory FIT Licensee nor a Voluntary FIT,

by reference to its status as at 31 December of the previous calendar year.

In FIT Year 1, the FIT Notification must be submitted on or before 30 June 2010 by reference to a licensee's status as at Implementation;

"FIT Order"

means an order made in accordance with sections 43(3) and 41(1) EA08;

"FIT Payments"

means, as applicable, the Generation Payments and/or Export Payments;

"FIT Scheme"

means the scheme for feed-in tariffs introduced in accordance with sections 41 to 43 EA08, as set out in Standard Condition 33 of the Electricity Supply Licence, this Schedule A, Parts 1 to 3 and Annexes 1 and 2;

"FIT Year"

means the year commencing on 1st April and ending on 31st March numbered sequentially from FIT Year 1 (being 1st April 2010 to 31st March 2011) to FIT Year 11:

"Generation Meter"

means a meter which measures the quantity of electricity generated by an Accredited FIT Installation, for which the FIT Generator is responsible;

"Generation Payment"

means the sum paid to the FIT Generator or Nominated Recipient, as applicable, by a FIT Licensee, for the electricity generated by Accredited FIT Installations in any period, calculated by reference to the Generation Tariff and Generation Meter Readings;

"Generation Meter Reading" means the measure by a Generation Meter of the gross amount of electricity generated by an Accredited FIT Installation;

"Generation Tariff"

means the payment rate per kilowatt hour of electricity generated by an Accredited FIT Installation as set out in the FIT Payment Rate Table at Annex 2;

"Implementation"

means the date on which the FIT Scheme becomes operational;

"Insolvency Event"

to be interpreted in accordance with paragraphs 1(f)-(g), 2 and 3 of Schedule 2 on Revocation of the Electricity Supply Licence;

"Levelisation Payment"

means the payment required to be made by a FIT Licensee to the Authority or by the Authority to the FIT Licensee, in accordance with the Levelisation Process as determined in the FIT Order;

"Levelisation Process"

means the process by which the total cost of the FIT Scheme is allocated between Electricity Suppliers in proportion to the size of their share in the electricity supply market of Great Britain, as determined in accordance with the FIT Order;

"Mandatory FIT Licensee"

means an Electricity Supplier which either:

- (a) supplies electricity to at least 50,000 domestic customers; or
- (b) together with its Affiliates jointly supplies electricity to at least 50,000 domestic customers,

as at 31 December before the start of each FIT Year; and effective on and from the 1 April of the current FIT Year:

"MCS-certified Installation"

means an Eligible Installation using an MCS-FIT Technology which has been recognised by MCS or equivalent as satisfying relevant equipment and installation standards;

"MCS-certified Registration"

means the process whereby an Eligible Installation confirmed as an MCS-certified Installation is entered onto the Central FIT Register by the Authority;

"MCS or equivalent"

means the Microgeneration Certification Scheme or equivalent schemes accredited under EN 45011, which certify microgeneration products and installers in accordance with consistent standards;

"MCS-FIT Technology

means the following Eligible Low-carbon Energy Sources for which MCS-certified Registration is required:

- (a) solar photovoltaic with a capacity of 50kW or less;
- (b) wind with a capacity of 50kW or less;
- (c) hydro generating station with a capacity of 50kW or less;
- (d) combined heat and power with an electrical capacity of 2kW or less;

which may be amended from time to time by the Secretary of State insofar as the scope remains consistent with s.41(5) EA08;

"Metering Legislation"

means:

- (a) Schedule 7 to the Electricity Act 1989;
- (b) The Meters (Approval of Pattern or Construction and Manner of Installation) Regulations 1998, SI/1565;
- (c) The Meters (Certification) Regulations 1998, SI/1566;
- (d) The Electricity (Approval of Pattern or Construction and Installation and Certification) (Amendment) Regulations 2002, SI/3129;
- (e) The Measuring Instruments (EC Requirements) (Electrical Energy Meters) Regulations 1995, SI/2607;
- (f) The Measuring Instruments (EC Requirements) (Electrical Energy Meters) (Amendment) Regulations 2002, SI/3082;
- (g) The Measuring Instruments (Active Electrical Energy Meters) Regulations 2006, SI/1679;

"Migrated ROO Generator"

means a generator whose generation installation was accredited under the ROO as at Implementation and who notifies the Authority, or, as the case may be, a FIT Licensee, of their intention to participate in the FIT Scheme and whose Eligible Installation is subsequently accredited by the Authority in accordance with the FIT Order;

"Nominated Recipient"

means a person appointed by a FIT Generator to receive FIT Payments in respect of an Accredited FIT Installation owned by that FIT Generator and recorded as such on the Central FIT Register;

"Owner"

means, in relation to any Plant which is the subject of a hire purchase agreement, a conditional sale agreement or any agreement of a similar nature, the person in possession of the Plant under that agreement, and in all other contexts it shall bear its ordinary meaning, Owned as a verb shall be construed accordingly;

"Part 1"

means Part 1 of Schedule A to Standard Condition 33 of the Electricity Supply Licence;

"Part 2"

means Part 2 of Schedule A to Standard Condition 33 of the Electricity Supply Licence;

"Part 3"

means Part 3 of Schedule A to Standard Condition 33 of the Electricity Supply Licence;

"Plant"

means any equipment, apparatus or appliance;

"Principal FIT Licensee Terms"

means the principal terms, to be included in the Statement of FIT Terms, which relate to the obligations which a FIT Generator must satisfy in order to receive FIT Payments from a FIT Licensee;

"Principal Generator Terms"

means the principal terms, to be included in the Statement of FIT Terms, which relate both to FIT Payments and the protection of FIT Generators;

"Reduction"

means a modification to an Eligible Installation to decrease its Total Installed Capacity from the same Eligible Low-carbon Energy Source, and Reduce as a verb shall be construed accordingly;

"ROO"

means collectively the Renewables Obligation Order 2009 and Renewables Obligation (Scotland) Order 2009 (or equivalent determinations under any amendments to those Orders or re-enactments of the renewables obligation upon revocation of those Orders);

"ROO-FIT Accreditation"

means the process of accreditation pursuant to the FIT Order to be undertaken in respect of an Eligible Installation not using an MCS-FIT Technology;

"Site"

means the premises to which are attached one or more Accredited FIT Installations or Eligible Installations in close geographical proximity to each other, to be determined as required by the Authority by reference to:

- (a) the relevant Meter Point Administration Number for electricity supply;
- (b) street address;
- (c) OS grid reference;

and any other factors which the Authority at its discretion views as relevant:

"Small-scale Lowcarbon Generation"

means the use, for the generation of electricity, of any Plant:

- (a) which, in generating electricity, relies wholly or mainly on an Eligible Low-carbon Energy Source; and
- (b) the Total Installed Capacity of which does not exceed the Specified Maximum Capacity;

"Specified Maximum Capacity"

means the maximum capacity specified in the FIT Order:

"Statement of FIT Terms"

means the statement of terms and conditions agreed between the FIT Licensee and FIT Generator in relation to participation in the Scheme;

"Switching"

means the process involved when a FIT Generator elects to change its FIT Licensee, and Switch used as a verb shall be construed accordingly;

"Tariff Code"

means a code allocated to each Accredited FIT Installation identifying the:

- (a) FIT Year in which the Eligibility Date falls;
- (b) Eligible Low-carbon Energy Source; and
- (c) other characteristics relevant to the Accredited FIT Installation;

"Total Installed Capacity"

means the maximum capacity at which an Eligible Installation could be operated for a sustained period without causing damage to it (assuming the Eligible Low-carbon Energy Source was available to it without interruption), a declaration of which is submitted as part of the processes of ROO-FIT Accreditation and MCS-certified Registration;

"Transfer Date"

Means the date upon which a FIT Generator is deemed to have Switched in relation to an Accredited FIT Installation;

"Voluntary FIT Licensee"

means a licensee which is not a Mandatory FIT Licensee but which voluntarily elects to participate in making FIT Payments under the Scheme.

PART 1 - MANDATORY FIT LICENSEES

A BASIC PRINCIPLES

1. Application of Part 1

- 1.1 This Part 1 shall apply where the licensee is a Mandatory FIT Licensee.
- 1.2 A Mandatory FIT Licensee is required to publish its status as a Mandatory FIT Licensee such that this information is easily accessible to the public.

2. To whom obligation is owed

- 2.1 The Mandatory FIT Licensee shall, subject to the terms of this Scheme, be obliged to accept a request for FIT Payments from a FIT Generator as regards an Accredited FIT Installation:
 - 2.1.1 which occupies a Site in relation to which that Mandatory FIT Licensee is the Relevant Electricity Supplier and as regards which the FIT Generator is also a Customer of that Mandatory FIT Licensee at that Site; or
 - 2.1.2 which occupies a Site in relation to which that Mandatory FIT Licensee is not the Relevant Electricity Supplier and as regards which the FIT Generator is a Customer of an Electricity Supplier which is not itself a Mandatory FIT Licensee; or
 - 2.1.3 which occupies a Site which does not receive a supply of electricity from any Electricity Supplier,

recognising that a FIT Generator is not required necessarily to approach its Relevant Electricity Supplier in order to secure FIT Payment from a FIT Licensee under the Scheme.

3. Payment of FIT

- 3.1 The Mandatory FIT Licensee shall be obliged to make FIT Payments as regards an Accredited FIT Installation only in the event the following conditions are satisfied:
 - 3.1.1 The Mandatory FIT Licensee is satisfied that the FIT Generator is not registered on the Central FIT Register as being in receipt of FIT Payments from another FIT Licensee as regards that Accredited FIT Installation;
 - 3.1.2 the Mandatory FIT Licensee must have access to or have received from the FIT Generator or Nominated Recipient the Generation Meter Readings, Export Meter Readings or Deemed Export Readings required, as applicable, in order to calculate the FIT Payments and the meters from which such readings are taken must comply with the provisions of the Metering Legislation;
 - 3.1.3 the FIT Generator must not also be registered to benefit from the ROO as regards the Accredited FIT Installation in relation to which it is seeking FIT Payments; and
 - 3.1.4 the FIT Generator must have agreed a Statement of FIT Terms with the Mandatory FIT Licensee.
- 3.2 In the event Part 1, clause 3.1 is satisfied, the Mandatory FIT Licensee shall be required as regards making FIT Payments to:
 - 3.2.1 calculate FIT Payments as accruing from the Eligibility Date of an Eligible Installation or from the Transfer Date, as applicable;

- 3.2.2 commence FIT Payments to the FIT Generator or Nominated Recipient from the next payment cycle occurring after the later of the:
 - (a) Confirmation Date; or
 - (b) date on which the Statement of Terms is agreed between the FIT Generator and Mandatory FIT Licensee,

which shall include FIT Payments which may have accrued since the Eligibility Date, such retrospective accrual to be limited as regards a Migrated ROO Generator to a period of no more than 6 months between its Eligibility Date and Confirmation Date;

- 3.2.3 ensure such FIT Payment is attributable to a period within the Eligibility Period of the Accredited FIT Installation;
- 3.2.4 ensure a process is implemented to regulate how data from FIT Generators as regards Generation Meter Readings, Export Meter Readings and Deemed Export Readings, as applicable, is to be provided and managed and communicate this to FIT Generators;
- 3.2.5 make FIT Payments no less than quarterly, except insofar as otherwise agreed in the Statement of FIT Terms;
- 3.2.6 take all reasonable steps to:
 - (a) review on receipt the reasonableness of any Generation Meter Readings and Export Meter Readings provided by a FIT Generator or Nominated Recipient as regards an Accredited FIT Installation, in accordance with expected tolerances by reference to relevant Total Installed Capacity and Eligible Low-carbon Energy Source;
 - (b) verify at least once every 2 years the Generation Meter Readings and Export Meter Readings provided by a FIT Generator or Nominated Recipient, and any Deemed Export Readings, taking due account of guidance from the Authority.
- 3.3 The Mandatory FIT Licensee shall make FIT Payments in accordance with the Tariff Code and other information recorded in the Central FIT Register at the rates set out in the FIT Payment Rate Table at Annex 2 in respect of FIT Year 1. For all following FIT Years, Mandatory FIT Licensees shall make FIT Payments at the rates set out in the FIT Payment rates table, which shall be published each FIT Year by the Authority, and which shall comprise the figures in the FIT Payment Rate Table at Annex 2 adjusted by the percentage increase or decrease in the Retail Price Index over the 12 month period ending on 31st December of the previous year . The FIT Payments made by the Mandatory FIT Licensee shall be such that:
 - 3.3.1 the Generation Payment shall be available to all FIT Generators with Accredited FIT Installations:
 - 3.3.2 the Export Payment shall be available only to FIT Generators with Accredited FIT Installations which have the necessary Plant for FIT Export and have requested to receive Export Payments in accordance with Part 1, clause 7.1.

B TREATMENT OF FIT GENERATORS AND ACCREDITED FIT INSTALLATIONS

4. MCS-certified Registration

- 4.1 The Mandatory FIT Licensee shall take all reasonable steps to support the process of MCS-certified Registration.
- When the Mandatory FIT Licensee receives a request for FIT Payments from a FIT Generator using an MCS-FIT Technology, the Mandatory FIT Licensee shall not submit details of that FIT Generator to the Authority for the purposes of entry onto the Central FIT Register until it has first confirmed that the request relates to an MCS-certified Installation.
- 4.3 When confirmation pursuant to Part 1, clause 4.2, is obtained, the Mandatory FIT Licensee shall submit to the Authority such information on the FIT Generator as is required by the process of MCS-certified Registration for entry of the FIT Generator and the relevant Eligible Installation onto the Central FIT Register.
- 4.4 As soon as reasonably practicable after receiving notification from the Authority of the Confirmation Date (subject to the requirement of Part 1, clause 6.1), the Mandatory FIT Licensee shall provide the FIT Generator with a Statement of FIT Terms to review and seek agreement.
- 4.5 A Mandatory FIT Licensee shall not be required to support MCS-certified Registration as regards a Migrated ROO Generator using an MCS-FIT Technology and shall not make any FIT Payments to that Migrated ROO Generator until the provisions of Part 1, clauses 3.1 and 3.2 are satisfied.

5. ROO-FIT Accreditation

- 5.1 The Mandatory FIT Licensee shall not be responsible for ROO-FIT Accreditation.
- When the Mandatory FIT Licensee receives a request for FIT Payments from a FIT Generator whose circumstances are such that ROO-FIT Accreditation is appropriate for participation in the Scheme, the Mandatory FIT Licensee shall refer that FIT Generator to the Authority which shall undertake ROO-FIT Accreditation.
- When the Mandatory FIT Licensee receives a request for FIT Payments from a FIT Generator which demonstrates its ROO-FIT Accreditation is complete, the Mandatory FIT Licensee shall submit to the Authority such information on the FIT Generator as is required for entry to the Central FIT Register.
- As soon as reasonably practicable after receiving notification from the Authority of the Confirmation Date (subject to the requirement of Part 1, clause 6.1), the Mandatory FIT Licensee shall provide the FIT Generator with a Statement of FIT Terms to review and seek agreement.
- The Mandatory FIT Licensee shall not be obliged to make FIT Payments to the FIT Generator until the provisions of Part 1, clauses 3.1 and 3.2 are satisfied.

6. Statement of FIT Terms

6.1 The Mandatory FIT Licensee shall take all reasonable steps to agree in writing a Statement of FIT Terms with a FIT Generator as regards an Accredited FIT

Installation within ten working days of the Confirmation Date, such agreement not to be unreasonably withheld.

- 6.2 The Mandatory FIT Licensee shall ensure that the Statement of FIT Terms incorporates as a minimum the Principal Generator Terms detailed in Part 1, clause 6.3 and the Principal FIT Licensee Terms detailed in Part 1, clause 6.4, in accordance with any guidance issued by the Authority.
- 6.3 The Principal Generator Terms shall include:
 - 6.3.1 obligations relevant to FIT Payments, including:
 - (a) Tariff Code;
 - (b) Confirmation Date;
 - (c) Eligibility Date and Eligibility Period;
 - (d) Generation Tariff;
 - (e) Export Tariff (where applicable) and how to elect to receive Export Payments;
 - (f) frequency of FIT Payment;
 - (g) data on which calculation of FIT Payments shall be based and the process by which such data is to be provided;
 - (h) the consequences of ceasing to be eligible for FIT Payments;
 - (i) and any other term that may reasonably be considered to significantly affect the evaluation by the FIT Generator of the arrangement under which FIT Payments shall be made by the Mandatory FIT Licensee; and
 - 6.3.2 obligations relevant to the protection of the FIT Generator to which the Mandatory FIT Licensee shall be obliged to adhere, including:
 - (a) a description of the Complaints Procedure and a stated duty to participate in the Complaints Procedure on disputes in relation to compliance with obligations under the Scheme;
 - (b) a duty not to discriminate without objective justification in terms of changing Relevant Electricity Supplier or the prices for supply and other charges as between FIT Generators and other parties to whom electricity is supplied by the Mandatory FIT Licensee;
 - (c) a description of the process of Switching and a stated duty to participate as required to facilitate the Switching of a FIT Generator;
 - (d) a duty not to impose any obligations on a FIT Generator which are additional to, or more onerous than those that are necessary to enable the Mandatory FIT Licensee to meet its obligations under the Scheme:

- (e) a duty to fulfil obligations under this Scheme efficiently and expeditiously;
- (f) a term setting out the termination rights which permit the FIT Generator to withdraw from the Scheme or Switch;
- (g) a term identifying the risks to a FIT Generator of failure to adhere to the Statement of FIT Terms, for example following failure to provide the required data in a timely fashion and as regards suspension and recoupment of FIT Payments.
- 6.4 The Principal FIT Licensee Terms shall include:
 - a term explaining that FIT Payments shall be made by reference to data in the Central FIT Register;
 - a term identifying the FIT Generator's obligations as regards providing information, declarations and evidence to the Mandatory FIT Licensee and the Authority (as well as any consents required for the purposes of data protection) as required for the administration of the Scheme;
 - a term requiring the FIT Generator to inform the Mandatory FIT Licensee as soon as reasonably possible in the event there is a change in ownership of an Accredited FIT Installation;
 - 6.4.4 a term requiring the FIT Generator to inform the Mandatory FIT Licensee as soon as reasonably possible of Extensions or Reductions to an Accredited FIT Installation;
 - 6.4.5 a term setting out the circumstances and procedures for changing the Nominated Recipient on the Central FIT Register;
 - 6.4.6 a term explaining meter ownership and responsibilities, including as regards access to the property of the FIT Generator if required for inspection, testing and (in the case of the Export Meter) maintenance and if appropriate replacement.
- 6.5 In the event the Central FIT Register is amended by the Authority to reflect any change in circumstances relevant to the content of the Statement of FIT Terms, for example, the Extension of an Accredited FIT Installation, the Mandatory FIT Licensee shall revise the Statement of FIT Terms as required and an amended version shall be supplied to the FIT Generator.
- The Mandatory FIT Licensee shall be required to take due account of guidance issued by the Authority as regards the content and the form of the Statement of FIT Terms but can agree terms more favourable to the FIT Generator if so desired;
- 6.7 In addition to what is stipulated in the Statement of FIT Terms, the Mandatory FIT Licensee shall have the following specific duties as regards FIT Generators in the context of the Scheme:
 - 6.7.1 when providing information to a FIT Generator (whether in writing, by electronic display or orally) in relation to this Scheme, the Mandatory FIT Licensee shall take all reasonable steps to ensure it:
 - (a) is complete and accurate;

- (b) is capable of being easily understood by the FIT Generator;
- (c) does not mislead the FIT Generator; and
- (d) is otherwise fair, transparent, appropriate and delivered in a professional manner both in terms of content and in terms of how it is presented (with more important information being given appropriate prominence);
- 6.7.2 when making FIT Payments to a FIT Generator or Nominated Recipient, the Mandatory FIT Licensee shall ensure that the Statement of FIT Terms by reference to which it does so does not materially discriminate without objective justification between one group of FIT Generators and any other such group;
- 6.7.3 the Mandatory FIT Licensee shall notify FIT Generators and Nominated Recipients to which it makes FIT Payments as soon as reasonably possible at the occurrence of an Insolvency Event.
- To the extent a FIT Generator falls into the definition of Customer, Domestic Customer or Micro-business Consumer under the Electricity Supply Licence, participation in this Scheme and involvement in Small-scale Low-carbon Generation shall have no effect on the rights and obligations resulting from that status under Sections A and B of the Electricity Supply Licence.

7. Export

- 7.1 Where a FIT Generator's request for FIT Payments includes a request for Export Payments, in addition to the requirements of Part 1, clause 3 above, the Mandatory FIT Licensee shall be obliged to purchase FIT Export from the Accredited FIT Installation by offering an amount equivalent to the appropriate Export Payments unless it has received an Export Payment Opt Out Notification from the FIT Generator within the preceding year.
- 7.2 Where payments have commenced in accordance with Part 1, clause 7.1 above, the Mandatory FIT Licensee remain obliged to make Export Payments until the earlier of termination in accordance with the Scheme or the receipt of an Export Payment Opt Out Notification from the FIT Generator.
- 7.3 The Mandatory FIT Licensee shall act in accordance with an Export Payment Opt Out Notification received from a FIT Generator and cease to apply the Scheme to such Export unless:
 - 7.3.1 it is due to take effect on or before the first anniversary of Implementation;
 - 7.3.2 it is due to take effect within one year of a request for Export Payments from the FIT Generator; or
 - 7.3.3 it requires the Mandatory Fit Licensee to act retrospectively;
 - 7.3.4 it receives a Cancellation of Export Payment Opt Out Notification.
- 7.4 A Cancellation of Export Payment Opt Out Notification shall not take effect if;
 - 7.4.1 it is due to take effect on or before the first anniversary of Implementation;

- 7.4.2 it is due to take effect within one year of receipt of an Export Payment Opt Out Notification; or
- 7.4.3 it requires the Mandatory FIT Licensee to act retrospectively.
- 7.5 The Mandatory FIT Licensee shall remain obliged to make Generation Payments, as appropriate, to FIT Generators irrespective of whether they request Export Payments pursuant to Part 1, clause 7.1.
- 7.6 The Mandatory FIT Licensee may calculate the Export Payment for FIT Export by reference either to:
 - 7.6.1 Export Meter Readings; or
 - 7.6.2 Deemed Export Readings, as regards Deemed Export only.

C ADMINISTRATION, ERROR AND ABUSE OF SCHEME

8. Reducing, recouping and withholding FIT Payments

- 8.1 The Mandatory FIT Licensee shall take all reasonable steps to ensure any FIT Payments it has made to a FIT Generator or Nominated Recipient reflect only that to which that FIT Generator or Nominated Recipient is entitled.
- 8.2 The Mandatory FIT Licensee may reduce, recoup or withhold FIT Payments from a FIT Generator:
 - 8.2.1 when it is identified (either through notification from the Authority or following an internal review by the Mandatory FIT Licensee) that there has been an error by the:
 - (a) Mandatory FIT Licensee; or
 - (b) FIT Generator; or
 - (c) Authority,

which has led that Mandatory FIT Licensee to make FIT Payments in excess of entitlement;

8.2.2 when the Authority has established that a FIT Generator has been involved in abuse of the Scheme and has noted this fact in the Central FIT Register,

such rights not being required to be exercised as regards incorrect FIT Payments made by another FIT Licensee.

9. Audit of Scheme

- 9.1 The Mandatory FIT Licensee shall take all reasonable steps actively to reduce error and combat abuse of the Scheme, taking into account any guidance issued by the Authority.
- 9.2 The Mandatory FIT Licensee shall, in particular, take all reasonable steps in making FIT Payments to a FIT Generator or Nominated Recipient to ensure that:

- 9.2.1 such payments are consistent with the information on the Central FIT Register;
- 9.2.2 it notifies the Authority expeditiously of any information of which it becomes aware which relates to data contained on the Central FIT Register and necessitates an update;
- 9.2.3 any FIT Generator or Nominated Recipient to which it makes FIT Payments are actively required to comply with their obligations as set out in the Statement of FIT Terms.
- 9.3 The Mandatory FIT Licensee shall promptly notify the Authority of any suspected abuse of the Scheme by FIT Generators, providing detail of:
 - 9.3.1 reasons for suspicion;
 - 9.3.2 any action it has taken or intends to take pursuant to Part 1, clauses 8.1 and 8.2, as regards making FIT Payments to a FIT Generator.
- 9.4 Where the Authority informs the Mandatory FIT Licensee that a FIT Generator has been suspended or removed from the Central FIT Register as a result of:
 - 9.4.1 a notification from the Mandatory FIT Licensee in accordance with Part 1, clause 9.3; or
 - 9.4.2 any other reason relating to the proper administration of the Scheme;

the Mandatory FIT Licensee shall not make any further FIT Payments to that FIT Generator or Nominated Recipient until such time as notified by the Authority that the suspension or removal has been rescinded, except insofar as otherwise instructed by the Authority to make a reduced FIT Payment.

10. Modifications to an Accredited FIT Installation and multi-installation Sites

- On receiving information from a FIT Generator as regards an Extension or Reduction to an Accredited FIT Installation, the Mandatory FIT Licensee shall:
 - 10.1.1 notify the Authority;
 - 10.1.2 provide such information as is required by the Authority to assess whether any Extension causes the Accredited FIT Installation to exceed the Specified Maximum Capacity and to update the Central FIT Register as regards such modifications.
- On notification from the Authority that the Central FIT Register has been updated to reflect the new information, the Mandatory FIT Licensee shall:
 - 10.2.1 treat the modified Accredited FIT Installation for the purposes of calculating FIT Payments in accordance with the updated Central FIT Register and any instruction which may be issued by the Authority; and/or
 - amend the Statement of FIT Terms as required and provide a copy to the FIT Generator; and/or
 - 10.2.3 if the Specified Maximum Capacity is exceeded cease making FIT Payments.

- 10.3 In the event a Site:
 - 10.3.1 contains separate Accredited FIT Installations, Owned by the same FIT Generator, using the same Eligible Low-carbon Energy Source; and
 - 10.3.2 their output is not being separately measured,

in calculating FIT Payments, the Mandatory FIT Licensee shall pro-rate the Small-scale Low-carbon Generation by reference to the Total Installed Capacity of each Accredited FIT Installation.

In the event a FIT Generator increases Small-scale Low-carbon Generation at a Site using an Eligible Low-carbon Energy Source different to that used in the existing Accredited FIT Installation Owned by the same FIT Generator, the Mandatory FIT Licensee shall treat this as a separate Accredited FIT Installation.

11. Change of status

- In the event a Mandatory FIT Licensee ceases to have Mandatory FIT Licensee status, it shall be required to:
 - 11.1.1 continue its participation in the Scheme as a Mandatory FIT Licensee until the later of:
 - (a) its next FIT Notification;
 - (b) the end of the FIT Year in which its status altered;
 - (c) the expiry of the period of at least 6 weeks' notice, required by Part 1, clause 11.1.2 below;
 - 11.1.2 notify in writing its change in status and consequences of that to the FIT Generators to which it makes FIT Payments allowing a notice period of at least 6 weeks.

PART 2 – VOLUNTARY FIT LICENSEES

A BASIC PRINCIPLES

1. Application of Part 2

- 1.1 This Part 2 shall apply where the licensee is a Voluntary FIT Licensee.
- 1.2 The Voluntary FIT Licensee shall notify the Authority of its decision to act as a Voluntary FIT Licensee before it may participate in the Scheme.
- 1.3 The Voluntary FIT Licensee is required to publish its status as a Voluntary FIT Licensee such that this information is easily accessible to the public.

2. To whom obligation is owed

2.1 The Voluntary FIT Licensee shall, subject to the terms of this Scheme, be obliged to accept a request for FIT Payments from a FIT Generator as regards an Accredited FIT Installation with Total Installed Capacity of 50kW or less:

2.1.1 which occupies a Site to which the Voluntary FIT Licensee is the Relevant Electricity Supplier and as regards which the FIT Generator is also a Customer of that Voluntary FIT Licensee at that Site;

recognising that a FIT Generator is not required necessarily to approach its Relevant Electricity Supplier in order to secure FIT Payment from a FIT Licensee under the Scheme.

2.2 The Voluntary FIT Licensee shall not be obliged to make the Scheme available to any FIT Generator falling outside the category in Part 2, clause 2.1 above but may elect to do so.

3. Applicability of principles in Part 1 to Voluntary FIT Licensees

- 3.1 The Voluntary FIT Licensee shall be bound by the obligations set down in Part 1, clauses 3 to 10, the necessary changes having been made to adjust for the differing context, as regards both:
 - 3.1.1 FIT Generators falling into the categories listed in Part 2, clause 2.1 which it is obliged to accept as a result of electing to become a Voluntary FIT Licensee; and
 - 3.1.2 FIT Generators which it elects to accept into the Scheme pursuant to Part 2, clause 2.2.

4. Change of status

- 4.1 In the event a Voluntary FIT Licensee elects no longer to participate in the Scheme as a Voluntary FIT Licensee, it shall
 - 4.1.1 notify the Authority and comply with any instructions provided;
 - 4.1.2 be required to continue its existing obligations as a Voluntary FIT Licensee under the Scheme until the later of:
 - (a) its next FIT Notification;
 - (b) the end of the FIT Year in which the notification required by Part 2, clause 4.1.1 is made;
 - (c) the expiry of the period of at least 6 weeks' notice, required by Part 2, clause 4.1.3;
 - 4.1.3 notify in writing its change in status and the consequences of that to the FIT Generators to which it makes FIT Payments, allowing a notice period of at least 6 weeks.

PART 3 – ALL LICENSEES

1. Application of Part 3

1.1 This Part 3 shall apply to all licensees.

2. Change of status

2.1 The licensee shall submit a FIT Notification to the Authority annually.

3. Levelisation Process

- 3.1 The licensee shall participate in the Levelisation Process as set out in the FIT Order, in accordance with the Authority's instructions, and:
 - 3.1.1 cooperate with the Authority to provide such information as is required by it for the efficient administration of the Levelisation Process:
 - 3.1.2 make Levelisation Payments in accordance with the Authority's instructions.

4. Insolvency Event

4.1 The licensee shall be obliged to take all reasonable steps to notify the Authority at the occurrence of an Insolvency Event.

5. Provision of information to Authority

- 5.1 The licensee shall be obliged to provide in a timely and practical format information reasonably required by the Authority in accordance with the FIT Order and pursuant to obligations arising from this Scheme.
- 5.2 The licensee shall be obliged to retain documents relating to this Scheme for a period of 5 years.

6. Modification

6.1 Modifications to this Scheme shall be made in accordance with the provisions of section 42 EA08 insofar as such modifications fall within the scope of section 41 EA08.

7. In the event of inconsistency

- 7.1 In the event of inconsistency between any provision of this Scheme and any order issued by the Secretary of State under sections 41 to 43 EA08, the latter shall prevail.
- 7.2 Where a licensee reasonably considers that complying with any order given by the Secretary of State under sections 41 to 43 EA08 will require it to act in a manner which is inconsistent with any provision of its Electricity Supply Licence, the licensee shall, without delay, inform the Authority and Secretary of State of such inconsistency.

ANNEX 1

ELIGIBILITY PERIOD TABLE

Installation		Eligible Low-carbon En	nergy Source
	Solar photovoltaic	Combined heat and power with an electrical capacity of 2kW or less	All other Eligible Low-carbon Energy Sources
Eligible Installations Commissioned on or after 1st April 2010	25 years commencing on the Eligibility Date	10 years commencing on the Eligibility Date	20 years commencing on the Eligibility Date
Eligible Installations Commissioned during the period commencing on 15th July 2009 and ending on 31st March 2010 which have not received accreditation under the ROO	25 years commencing on 1st April 2010	10 years commencing on 1st April 2010	20 years commencing on 1st April 2010
Eligible Installations with a declared net capacity of 50kW or less Commissioned during the period commencing on 15th July 2009 and ending on 31st March 2010 which have received accreditation under the ROO	25 years commencing on 1st April 2010		20 years commencing on 1st April 2010
Eligible Installations with a declared net capacity greater than 50kW Commissioned during the period commencing on 15 th July 2009 and ending on 31 st March 2010 which were previously accredited under the ROO and which have an Eligibility Date of 1 st April 2010	24 years and 6 months commencing on 1 st April 2010		19 years and 6 months commencing on 1st April 2010
Eligible Installations with a declared net capacity greater than 50kW Commissioned during the period commencing on 15 th July 2009 and ending on 31 st March 2010 which were previously accredited under the ROO and which have an Eligibility Date of 1 st April 2011	23 years and 6 months commencing on 1 st April 2011		18 years and 6 months commencing on 1 st April 2011
Eligible Installations with a declared net capacity of 50kW or less Commissioned on or before 14 th July 2009 and accredited under the ROO on or before 31 st March 2010 -	the period commencing on Implementation and ending on 31st March 2027		the period commencing on Implementation and ending on 31 st March 2027

ANNEX 2

FIT PAYMENT RATE TABLE

	FIT Year 1	FIT Year 2	FIT Year 3	FIT Year 4	FIT Year 5	FIT Year 6	FIT Year 7	FIT Year 8	FIT Year 9	FIT Year	FIT Year
Description										10	11
	2010/11	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Anaerobic	11.5 pence										
digestion with	per										
total installed	kilowatt										
capacity of	hour										
500kW or less											
Anaerobic	9 pence										
digestion with	per										
total installed	kilowatt										
capacity greater	hour										
than 500kW											
Hydro generating	19.9 pence										
station with total	per										
installed capacity	kilowatt										
of 15kW or less	hour										

Hydro generating station with total installed capacity greater than 15kW but not	17.8 pence										
	per										
	kilowatt										
	hour										
exceeding 100kW Hydro generating station with total installed capacity greater than 100kW but not exceeding 2MW	11 pence										
	per										
	kilowatt										
	hour										
Hydro generating station with total installed capacity greater than 2MW Combined Heat and Power with total installed electrical capacity of 2kW or less (Tariff available only for 30,000 units)	4.5 pence										
	per										
	kilowatt										
	hour										
	10 pence										
	per										
	kilowatt										
	hour										
Solar photovoltaic with total installed capacity of 4kW or less, where installed on a new building before first occupation	36.1 pence	36.1 pence	33 pence	30.2 pence	27.6 pence	25.1 pence	22.9 pence	20.8 pence	19.0 pence	17.2 pence	15.7 pence
	per										
	kilowatt										
	hour										

Solar	41.3 pence	41.3 pence	37.8 pence	34.6 pence	31.6 pence	28.8 pence	26.2 pence	23.8 pence	21.7 pence	19.7 pence	18 pence
photovoltaic with	per										
total installed	kilowatt										
capacity of 4kW	hour										
or less, installed											
on a building											
which already											
occupied											
Solar	36.1 pence	36.1 pence	33.0 pence	30.2 pence	27.6 pence	25.1 pence	22.9 pence	20.8 pence	19.0 pence	17.2 pence	15.7 pence
photovoltaic with	per										
total installed	kilowatt										
capacity greater	hour										
than 4kW but not											
exceeding 10kW											
Solar	31.4 pence	31.4 pence	28.7 pence	26.3 pence	24 pence	21.9 pence	19.9 pence	18.1 pence	16.5 pence	15 pence	13.6 pence
photovoltaic with	per										
total installed	kilowatt										
capacity greater	hour										
than 10kW not											
exceeding 100kW											

Solar	29.3 pence	29.3 pence	26.8 pence	24.5 pence	22.4 pence	20.4 pence	18.6 pence	16.9 pence	15.4 pence	14 pence	12.7 pence
photovoltaic with	per										
total installed	kilowatt										
capacity greater	hour										
than 100kW											
Stand-alone	29.3 pence	29.3 pence	26.8 pence	24.5 pence	22.4 pence	20.4 pence	18.6 pence	16.9 pence	15.4 pence	14 pence	12.7 pence
(autonomous)	per										
solar photovoltaic	kilowatt										
(not attached to a	hour										
building and not											
wired to provide											
electricity to an											
occupied											
building)											
Wind with total	34.5 pence	34.5 pence	32.6 pence	30.8 pence	29.1 pence	27.5 pence	26 pence	24.6 pence	23.2 pence	21.9 pence	20.7 pence
installed capacity	per										
of 1.5kW or less	kilowatt										
OI 1.3KW OI IESS	hour										
Wind with total	26.7 pence	26.7 pence	25.5 pence	24.3 pence	23.2 pence	22.2 pence	21.2 pence	20.2 pence	19.3 pence	18.4 pence	17.6 pence
installed capacity	per										
greater than	kilowatt										
1.5kW but not	hour										
exceeding 15 kW											

Wind with total	24.1 pence	24.1 pence	23 pence	21.9 pence	20.9 pence	20 pence	19.1 pence	18.2 pence	17.4 pence	16.6 pence	15.9 pence
installed capacity	per										
greater than	kilowatt										
15kW but not	hour										
exceeding 100kW											
Wind with total	18.8 pence										
installed capacity	per										
greater than	kilowatt										
100kW but not	hour										
exceeding 500kW											
Wind with total	9.4 pence										
installed capacity	per										
greater than	kilowatt										
500kW but not	hour										
exceeding											
1.5MW											
Wind with total	4.5 pence										
installed capacity	per										
greater than	kilowatt										
1.5MW	hour										

Eligible	9 pence										
Installations with	per										
a declared net	kilowatt										
capacity of 50kW	hour										
or less											
Commissioned on											
or before 14 th July											
2009 and											
accredited under											
the ROO on or											
before 31 st March											
2010.											
	3 pence										
EXPORT	per										
TARIFF	kilowatt										
	hour										

Date

GUIDANCE NOTE

(This note is not part of the Licence Modification)

These Licence modifications made under section 41(1) of the Energy Act 2008 ("the Act") together with an order under section 43(3) of the Act implement the Feed-in Tariff Scheme.

Under section 6 of the Electricity Act 1989, supply of electricity is licensed. These modifications are to the Standard Conditions of the electricity Supply Licence and add a new section C to that Licence which contains Standard Condition 33 and Standard Condition 34 together with a Schedule and Annex to the Schedule. The new Section C and its Schedule, including the Annex will apply to all Supply Licences and within the Schedule which comprises three parts, certain parts applying to different types of Suppliers, depending on the number of domestic customers those Suppliers have. There is a part which is applicable to the larger Suppliers which are obliged to offer the FIT tariffs to eligible generators and another part which is applicable to smaller Suppliers who may choose to offer these tariffs voluntarily. The remaining part applies to all Supply Licensees.

The Authority will be the administrator of the Scheme and responsible for entering all generators who meet the eligibility criteria and have nominated a FIT Supplier on the Central FIT Register. Once the Generator is confirmed on the Central FIT Register the FIT Supplier will be obliged to start making FIT payments to them.

Parts 1 and 2 of the Schedule make provision for a FIT Supplier to provide, in writing, a Statement of FIT terms within ten working days of the generator being confirmed as entered on the Central FIT Register. The FIT Supplier is obliged to make payments to an eligible generator in accordance with the tariff code assigned to that generator. The tariff code will be assigned by the Authority and will incorporate the relevant generation tariff for the capacity of the low carbon energy source installed by the generator.

In addition each generator may elect on an annual basis to receive the export tariff for any generation which it exports onto the system. It is acknowledged that it may not be practicable to install export meters at certain installations and in these circumstances deemed exports readings will be permitted. The methodology for the calculation of such deemed export and who will be entitled to provide a deemed export reading, shall be determined by the Secretary of State.

The generation and export tariffs which each FIT Supplier will pay to eligible generators are set out for year 1 of the FIT scheme i.e. to 31 March 2011 in the FIT Payment Rate Table at Annex 2 to the Schedule.

For the following years, the figures in this table will be adjusted in accordance with the Retail Price Index and published by the Authority, to ensure that FIT payments are kept in line with inflation.

Each FIT Supplier will make payments to eligible generators on a quarterly basis unless otherwise agreed in writing between them. It is acknowledged that for the smaller generators it may be administratively simpler to make the payment on an annual basis and for the larger generators to make more frequent payments. The licence condition establishes the minimum a generator can expect in the absence of any other provision.

The Secretary of State will publish the modifications to the standard conditions of supply licences on the website of the Department of Energy and Climate Change as soon as reasonably practicable.