## **EXPLANATORY NOTE**

(This note is not part of the Order)

The Order, which applies to Great Britain, amends the Feed-in Tariffs Order 2012.

Articles 3, 4 and 5 amend article 4 (application of this Chapter), article 5 (accreditation of eligible installations) and article 6 (accreditation of eligible installations not previously accredited under the ROO) to prohibit the Authority (the Gas and Electricity Markets Authority) from accrediting installations when new article 7A(1) applies, and to give effect to a grace period introduced in new article 7B.

Article 6 inserts a new article 7A (accreditation on or after 1st April 2019) and a new article 7B (certain delays in grid or radar works). The new article 7A prohibits the Authority from accrediting any installations on or after 1st April 2019, subject to exceptions as follows.

New article 7A(2)(a) excepts installations for which applications for preliminary accreditation are received by the Authority on or before 31st March 2019 and which apply for accreditation during the period of validity of their preliminary accreditation.

New article 7A(2)(b) excepts community energy or school installations for which applications for pre-registration are received by the Authority on or before 31st March 2019, and which apply for accreditation during the period of one year following receipt of the pre-registration application.

New article 7A(2)(c) excepts MCS-scale (solar PV, wind and combined heat and power installations with a declared net capacity of no more than 50kW) installations that are not pre-registered as a community energy or school installation for which an MCS certificate is issued on or before 31st March 2019, and which apply for accreditation on or before 31st March 2020.

New article 7A(2)(d) excepts applications to which the grace period set out in the new article 7B applies.

The new article 7B provides for a one year grace period for installations which have received preliminary accreditation on or before 31st March 2019 and then experience a delay in commissioning due to delays in grid works or radar works.

Articles 7 and 8 amend articles 8B (the application limit) and 8C (the application limit: adjustments) to make provision for how certain installations affected by new article 7A should count towards deployment caps. In particular, a new paragraph 3A is inserted into article 8B which provides that the Authority must determine not to grant accreditation or preliminary accreditation to installations which have applied on or before 31stMarch 2019 but for which eligibility would otherwise be assessed in a tariff period beginning on or after 1st April 2019, due to the operation of the deployment caps; and a new paragraph 3B and definition of "relevant community energy installation" are inserted into article 8B which provide that community energy installations with an MCS certificate issued on or after 1st April 2019 will have their eligibility assessed by reference to the deployment cap for the tariff period commencing 1st January 2019.

Article 9 amends article 9 (preliminary accreditation) to provide that generators cannot apply for preliminary accreditation on or after 1st April 2019.

Article 10 amends article 10 (effect of preliminary accreditation) to provide that the Authority may accredit an installation which received preliminary accreditation on or before 31st March 2019, and to which the new article 7B grace period applies.

Article 11 amends article 11 (pre-registration of community energy installations) to provide that the Authority must not pre-register a community energy installation where it receives the application for

pre-registration on or after 1st April 2019, nor where an MCS certificate has not been issued for the installation and the relevant deployment cap for the tariff period commencing 1st January 2019 has been exceeded (or would be exceeded if an MCS certificate were issued for the installation). Article 11 also inserts a new sub-paragraph (e) into article 11(5) to provide that, where a community energy installation is pre-registered on or before 31st March 2019 but commissions and accredits after that date, its tariff date is 1st January 2019.

Article 12 amends article 12 (pre-registration of school installations) to provide that the Authority must not pre-register a school installation where it receives the application for pre-registration on or after 1st April 2019.

Articles 13 and 14 amend articles 27 (calculation of FIT contributions, etc.) and 27A (the capped amount of qualifying renewable electricity) to make amendments to how annual levelisation payments are calculated, and to clarify how the calculation operates. In particular, article 27(2) is amended to include net metered export payments in the calculation of a FIT licensee's annual contribution; and article 27(6) is amended to introduce an exemption from that calculation for electricity supplied to energy intensive industry customers (subject to receipt of state aid approval).

Article 15 amends article 38 (determinations relating to levelisation) to include a determination relating to net metered export payments in the Secretary of State's annual determination.

Article 16 amends the definition of "relevant installation standard" in paragraph 2 of Schedule A1 to the Order to refer to updated installation standards for solar photovoltaic installations with a commissioning date on or after 12th March 2019; for heat-led combined heat and power installations with a commissioning date on or after 12th March 2019; and for electricity-led combined heat and power installations with a commissioning date on or after 12th March 2019. Copies of the updated installation standards can be made available on request from the Department of Business, Energy and Industrial Strategy, 1 Victoria Street, London, SW1H 0ET.

An explanatory memorandum is available with this Order on www.legislation.gov.uk.

An impact assessment has been produced in respect of the changes to the Feed-in Tariffs scheme brought about by this Order and can be obtained from the Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London, SW1H 0ET.