

SCHEDULE 7

Regulation 60

Degression

Calculation of B

1.—(1) For the purposes of regulation 60, B is calculated in relation to a tariff category and an assessment date as follows.

- (2) For the purposes of this paragraph—
 - (a) the first test is met in relation to an assessment date in the first column of Table 1 if the forecast for total expenditure as at that date exceeds the figure specified for that assessment date in the corresponding entry in the second column of Table 1;
 - (b) the second test is met in relation to an assessment date if C, as calculated in accordance with paragraph 2 of this Schedule, is 0.10 or more.
- (3) B is 0 unless the circumstances set out in sub-paragraph (4) apply.
- (4) B is 0.05 if, in relation to the assessment date—
 - (a) the first test is met; and
 - (b) the second test is met.

Calculation of C

2.—(1) For the purposes of regulation 60, C is calculated in relation to a tariff category and an assessment date as follows.

- (2) For the purposes of this paragraph—
 - (a) the first test is met in relation to an assessment date in the first column of the relevant table if, as at that assessment date, the forecast for expenditure in relation to that tariff category exceeds the figure specified for that assessment date in the corresponding entry in the second column of that table;
 - (b) the second test is met in relation to an assessment date if, as at that assessment date, the increase in expenditure forecast applicable to that tariff category is at least 50% of, but less than 150% of, the figure specified for that assessment date in the corresponding entry in the third column of the relevant table (“the anticipated increase figure”);
 - (c) the third test is met in relation to an assessment date if, as at that assessment date, the increase in expenditure forecast applicable to that tariff category is at least 150% of the anticipated increase figure;
 - (d) in relation to an assessment date other than the assessment date which falls on 30th April 2018, the fourth test is met if during the tariff period that immediately preceded the tariff period in which the assessment date falls, the value of C applicable to that tariff category was 0.10 or more,

where the “relevant table” means whichever of Tables 2 to 9 in this Schedule is applicable to that tariff category.

- (3) C is 0 unless the circumstances set out in sub-paragraph (4) or (5) (a), (b) or (c) apply.
- (4) In relation to the assessment date which falls on 30th April 2018, C is 0.10 if—
 - (a) the first test is met; and
 - (b) the second or third test is met.
- (5) In relation to any subsequent assessment date—
 - (a) C is 0.10 if—

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- (i) the first test is met; and
- (ii) the second test is met, whether or not the fourth test is met;
- (b) C is 0.10 if in relation to the assessment date—
 - (i) the first test is met; and
 - (ii) the third test is met but the fourth test is not met; and
- (c) C is 0.20 if in relation to the assessment date—
 - (i) the first test is met;
 - (ii) the third test is met; and
 - (iii) the fourth test is met.

Table 1

Total expenditure

Assessment date	Total expenditure anticipated for subsequent year (£million)
30th April 2018	760.32
31st July 2018	782.43
31st October 2018	809.90
31st January 2019	837.75
30th April 2019	866.53
31st July 2019	894.04
31st October 2019	920.70
31st January 2020	946.55
30th April 2020	967.99
31st July 2020	983.66
31st October 2020	997.53
Any date after 30th January 2021	1,009.26

Table 2

Forecast for expenditure: plants which generate heat from solid biomass

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	404.34	3.33
31st July 2018	407.67	3.33
31st October 2018	411.00	3.33
31st January 2019	414.34	3.33
30th April 2019	417.67	3.33

31st July 2019	421.00	3.33
31st October 2019	424.33	3.33
31st January 2020	427.67	3.33
30th April 2020	431.00	3.33
31st July 2020	434.33	3.33
31st October 2020	437.66	3.33
Any date after 30th January 2021	441.00	3.33

Table 3**Forecast for expenditure: CHP systems**

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	87.39	0.72
31st July 2018	88.10	0.72
31st October 2018	88.82	0.72
31st January 2019	89.54	0.72
30th April 2019	90.26	0.72
31st July 2019	90.98	0.72
31st October 2019	91.69	0.72
31st January 2020	92.41	0.72
30th April 2020	93.13	0.72
31st July 2020	93.85	0.72
31st October 2020	94.57	0.72
Any date after 30th January 2021	95.29	0.72

Table 4**Forecast for expenditure: ground source heat pumps and shared ground loop systems with an installation capacity of 100kWth or above**

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	17.67	0.15
31st July 2018	17.82	0.15
31st October 2018	17.96	0.15

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31st January 2019	18.11	0.15
30th April 2019	18.25	0.15
31st July 2019	18.40	0.15
31st October 2019	18.54	0.15
31st January 2020	18.69	0.15
30th April 2020	18.83	0.15
31st July 2020	18.98	0.15
31st October 2020	19.12	0.15
Any date after 30th January 2021	19.27	0.15

Table 5

Forecast for expenditure: ground source heat pumps and shared ground loop systems with an installation capacity of below 100kWth and air source heat pumps

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	6.25	0.53
31st July 2018	6.78	0.53
31st October 2018	7.34	0.56
31st January 2019	7.94	0.60
30th April 2019	8.58	0.65
31st July 2019	9.22	0.64
31st October 2019	9.86	0.64
31st January 2020	10.53	0.66
30th April 2020	11.23	0.70
31st July 2020	11.94	0.71
31st October 2020	12.65	0.71
Any date after 30th January 2021	13.37	0.72

Table 6

Forecast for expenditure: plants which use solar collectors

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	1.30	0.10

31st July 2018	1.40	0.10
31st October 2018	1.49	0.10
31st January 2019	1.59	0.10
30th April 2019	1.68	0.10
31st July 2019	1.78	0.09
31st October 2019	1.87	0.09
31st January 2020	1.97	0.09
30th April 2020	2.06	0.09
31st July 2020	2.16	0.09
31st October 2020	2.25	0.09
Any date after 30th January 2021	2.35	0.09

Table 7

**Forecast for expenditure: plants which generate
heat from biogas with a capacity below 600kWth**

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated expenditure since assessment date (£million)	increase in previous
30th April 2018	55.75	0.99	
31st July 2018	56.73	0.99	
31st October 2018	57.73	0.99	
31st January 2019	58.73	1.00	
30th April 2019	59.74	1.01	
31st July 2019	60.62	0.88	
31st October 2019	61.51	0.89	
31st January 2020	62.40	0.89	
30th April 2020	63.29	0.90	
31st July 2020	64.19	0.89	
31st October 2020	65.09	0.90	
Any date after 30th January 2021	66.00	0.91	

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Table 8

Forecast for expenditure: producers of biomethane for injection and plants which generate heat from biogas with a capacity of 600kWth and above;

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	388.86	3.20
31st July 2018	392.06	3.20
31st October 2018	395.25	3.20
31st January 2019	398.45	3.20
30th April 2019	401.64	3.20
31st July 2019	404.84	3.20
31st October 2019	408.04	3.20
31st January 2020	411.23	3.20
30th April 2020	414.43	3.20
31st July 2020	417.62	3.20
31st October 2020	420.82	3.20
Any date after 30th January 2021	424.02	3.20

Table 9

Forecast for expenditure: deep geothermal plants

Assessment date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
30th April 2018	3.17	0.03
31st July 2018	3.20	0.03
31st October 2018	3.23	0.03
31st January 2019	3.25	0.03
30th April 2019	3.28	0.03
31st July 2019	3.30	0.03
31st October 2019	3.33	0.03
31st January 2020	3.36	0.03
30th April 2020	3.38	0.03
31st July 2020	3.41	0.03
31st October 2020	3.43	0.03

Any date after 30th
January 2021

0.03
