
EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which applies to Great Britain, revokes and remakes with amendments the Feed-in Tariffs (Specified Maximum Capacity and Functions) Order 2010 (“the 2010 Order”).

The Order confers functions on the Gas and Electricity Markets Authority (“the Authority”) and the Secretary of State in connection with the administration of the feed-in tariffs scheme (“FIT scheme”) for small-scale low carbon electricity generation. Other provisions of the FIT scheme are contained in modifications made under section 41 of the Energy Act 2008 to the standard conditions of electricity supply licences (“the FIT licence conditions”), which are available from the Department of Energy and Climate Change, 3 Whitehall Place, London SW1A 2AW.

Article 3 sets the specified maximum capacity for eligible installations in the FIT scheme at 5 megawatts.

Part 3 (articles 4 to 17) makes provision about the accreditation by the Authority of eligible installations for the purposes of the FIT scheme. An “eligible installation” means an installation capable of producing small-scale low carbon generation from one of the following sources of energy or technologies: (a) anaerobic digestion, (b) hydro generating station, (c) combined heat and power with an electrical capacity of 2kW or less, (d) solar photovoltaic, or (e) wind.

Part 4 (articles 18 to 20) make provision about the accreditation by the Authority of extensions to existing accredited installations.

Part 5 (articles 21 to 24) require the Authority to keep a register for the purposes of the scheme (“the central FIT register”).

Part 6 (articles 25 to 30) make provision for a levelisation process, under which licensed electricity suppliers are to make payments to or receive payments from the Authority for the purpose of ensuring that the costs of participating in the FIT scheme are proportionate to their market shares in the electricity supply market in Great Britain.

Part 7 (articles 31 to 35) confers administrative functions on the Authority.

Part 8 (articles 36 to 38) gives the Secretary of State duties to publish data and to make certain annual determinations for the purposes of the FIT scheme.

Article 40 contains transitional provisions and savings.

The principal changes to the 2010 Order are as follows.

The Authority is given power to attach conditions when it accredits an eligible installation (article 5(3)).

A preliminary accreditation process is introduced for anaerobic digestion installations, hydro generating stations, and solar photovoltaic and wind installations with capacity of more than 50 kilowatts (articles 9 and 10). Preliminary accreditation gives assurance to a prospective generator, before constructing an installation, that subject to meeting certain requirements it will be accredited under the FIT scheme if it is commissioned and an application for accreditation is made within a specified time.

Provision is also made for the pre-registration with the Authority of certain solar photovoltaic community energy installations, and solar photovoltaic installations wired to provide electricity to schools or further education institutions (articles 11 and 12). The FIT licence conditions provide for a dispensation for pre-registered installations from an energy efficiency requirement which applies in relation to solar photovoltaic installations that are wired to a building.

Special provision is made about how the site of an eligible installation is to be determined in certain cases (article 15).

The Secretary of State is given a duty to publish data about deployment of eligible installations using energy sources other than solar photovoltaic (for which such data is already published) (article 36 and Schedule 2). This data is to be used by the Authority when calculating, in

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accordance with the FIT licence conditions, the payment rates for new eligible installations which become accredited in future years (article 16).

Additional provision is made about the Authority's enforcement powers in relation to generators participating in the FIT scheme, including power to withdraw or suspend accreditation of installations in specified circumstances (article 17).

An impact assessment has been prepared in respect of the changes to the FIT scheme effected by this Order and copies can be obtained from the Department of Energy and Climate Change, 3 Whitehall Place, London SW1A 2AW.

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