

Solar is an earner with new feed-in tariff

When you get an approved renewable energy system installed you can now benefit from a Feed-in Tariff (FIT). Your electricity supplier will pay one tariff for the electricity you generate and one for any electricity you export to the grid. For a standard household Solar PV system they'll pay 41.3p per kWh generated and at least 3p per kWh exported.

FITs mean that a well sited Solar PV system can now pay for itself in as little as 12.5 years. To qualify for FITs, equipment and its installers must both be MCS approved. The Microgeneration Certification Scheme is the new guarantee of quality.

A 2.5kW peak system for a two person household could save/earn you £1000 a year and currently costs around £15,000 fitted. A new set up like this will reduce your annual CO₂ emissions by around a tonne. In terms of its positive environmental impact this is comparable to getting loft and cavity wall insulation fitted together.

FITs replace government grants for electricity generating technologies like Solar PV and wind turbines. Grants for renewable heating systems remain but are due to be superseded in April 2011 by the Renewable Heat Incentive. To qualify for a grant your home must be insulated (270mm in the loft and cavity wall filled) with energy saving light bulbs throughout.

For the latest information on renewable energy systems and incentives, **contact the Energy Saving Trust on 0800 512 012.**



A 2.5kW peak Solar PV system

Photo courtesy of cocoonyourhome.co.uk

Notes for editors:

1. Feed-in Tariff Case Study

This example explores the cost and benefits of a green-minded working couple installing a Solar PV system today. Figures are based on the actual performance of a system in Leighton Buzzard installed on an East facing roof (South facing would be ideal).

A 2.5 kW peak Solar PV hybrid panel is fitted, and attracts payments of 41.3p per kW per kilowatt generated and 3p per kW exported. The cost of the installed system is £15,000. It will deliver 1750kW of electricity each year. The couple use 2600kWh of electricity a year. The panel will produce electricity reliably for a minimum of 20 years.

Benefits of installing now:

£210 saved by not having to import 1750kW of 100% green electricity ($1750 \times 12p = £210$)

£722 receivable for generating 1750kWh each year ($1750 \times 41.3p = £722$)

£34 receivable for exporting – the couple export 65% ($1750 \times 65\% \times 3p = £34$)

£966 total saving and income each year ($£210 + £722 + £34 = £966$)

15.5 years payback ($£15,000/£966 = 15.5$)

2. Low Carbon Buildings Programme

As of April 2010, Feed-in Tariffs have replaced grants that were previously offered for Solar Photovoltaic, Wind Turbines and Micro-Hydro systems under the government's Low Carbon Building Programme. Government grants are still available towards Solar Hot Water systems, Wood Boilers/Stoves and Ground or Air Source heat pumps. For full information on Feed-in Tariffs and Grants, visit lowcarbonbuildings.org.uk

3. United Sustainable Energy Agency

This article was produced by United Sustainable Energy Agency (USEA).

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USEA (usea.org.uk) works in partnership with local authorities throughout Bucks, Berks, Beds, Herts, Oxon, Hants and the Isle of Wight. It operates an Energy Saving Trust advice centre for the South East and offers an insulation installer comparison service called Cocoon (cocoonyourhome.co.uk).

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