


# Solar Panels Funding

## Last year for Feed-in Tariff





**The Government aid for the use of renewable energy sources has changed from previously given solar grants or free solar panels. According to the EU's Renewable Energy Directive member countries target is to reach 20% renewables before 2020. The UK Government to April 2019 still offers the incentive for those interested in solar panels known as the Feed-in Tariff (FIT).**

A solar battery allows to store excess electricity produced by solar panels. Homeowner can apply to get payments from the energy supplier if he generates his own electricity. Under the Feed-in Tariff homeowners are paid for the electricity they generate if they install eligible solar PV, a wind or hydro turbine or micro CHP.

FITs payments come in the form of:

- Generation tariff (rates varies depending on the size of the system, technology, energy efficiency of the house etc.). It is assessed and agreed in the contract after successful application.
- Export tariff, which allows homeowners to sell their electricity for 4.85p per unit (an export meter might be required). Energy Saving Trust provides the online calculator where you can estimate how much you could save with solar panels.
- Energy bill savings as there is no need or reduced amount of energy bought from energy supplier. The amount of saving depends on how much electricity is saved

The income from FIT scheme is tax free. Tariffs are published every three months on OFGEM website <https://www.ofgem.gov.uk/environmental-programmes/fit>

Solar photovoltaic (PV) panels (either roof mounted or free standing) with a total installed capacity (TIC) of 5MW or less are eligible for the FIT scheme. However, to qualify for FIT scheme it is required to use both products and installers certified under the Microgeneration Certification Scheme (MSC). The tariffs offered will depend on the solar PV product installed, eligibility date and property Energy Perfor-



mance Certificate (EPC) rating. If the property is a band A to band D the higher tariff rate will apply.

Solar panels cost vary depending on size and the capacity. It ranges between £1,5k and £8k. Household of more than 3 people will need 3kW or 4kW solar system that cost over £6k. The cost of solar battery storage systems range from £1,5k up to £6k. On the market there are also offers of combined solar panel and battery storage. Such 4kW solar panel system with a 4kW solar battery typically costs between £10k and £12k.

On the Energy Saving Trust website there is the solar energy calculator that allows to estimate the savings and income from your solar panels. Check it out here: <http://www.pvfitcalculator.energysavingtrust.org.uk>

Moreover, the Energy Saving Trust recommends to use their Renewable Selector to see if the building is suitable for solar panels. Generally, for the best performance the solar panels installation is recommended for roofs facing south and at a pitched angle. In other conditions apart of north side the income will be reduced. On roofs facing north solar panels are not recommended. In the UK the standard solar panels need to cover

approx 15 to 25 square metres. For example, a 3kWp system could comprise 15 panels taking up an area of 20 square metres and will generate roughly 2,500kWh per annum.

Solar panels installation on the roof is usually treated as a permitted development, but we advise to check with the local authority as some conditions may apply, for instance:

- not permitted installation on any part of the external walls of the building if the building contains a flat,
- not permitted if panels when installed on a flat roof are situated within 1 metre from the edge of the roof or protrude more than 1 metre above the plane of the roof
- not permitted if panels when installed project higher than the highest point of the roof (excluding the chimney)
- not permitted if the building is within a conservation area or World Heritage Site and the solar PV or solar thermal equipment is installed on a roof which forms the front of the building and is visible from the road.

### Application for FIT Scheme

First of all, to apply for FIT both product and installer has to be MSC registered. The installer is obliged to register the installation on the MSC database. Contact the FIT supplier / licensee with the MSC certificate, application form, Energy Performance Certificate (the EPC will need to be dated before the commissioning date of your PV system to be eligible for the higher tariff). After eligibility checks, the applicant will be added to the Ofgem Central FIT Register. There is a cap limit on applications for a FIT license. If the application is affected by a cap it will be placed in a queue for subsequent tariffs. The registration guarantee homeowner payments for the 20 year lifespan of the Feed-in Tariff regardless of any future cuts to the scheme. The Feed-in Tariff is reduced every three months, so the sooner homeowners install solar panels the higher FIT tariff rate they will get. Homeowners who own solar panels say that even without FIT scheme, the installation is profitable as solar panels significantly reduce energy bill and improve environmental footprint. For more information on renewable energy visit [www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)

*(Source: Energy Saving Trust)*

