

# Consultation on fast-track review of Feed-in Tariffs for small scale low carbon electricity

Please use the table below as a template to respond to the consultation. It will help us to record and take account of your views.

Also, please provide evidence for your answers and comments where possible.

# **PERSONAL DETAILS**

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Organisation Name: Environmental Association for Universities and Colleges

Would you like this response to remain confidential? No

#### CHAPTER 1: FAST-TRACK CONSIDERATION OF SOLAR PV GREATER THAN 50 KW

Q1: Do you agree or disagree that there is a need to limit access to FITs for large scale solar PV installations in order to meet spending review targets? Please give reasons for your answer. If you agree, what do you think is the best way of doing this?

Disagree

# Comments:

We do not agree that there is a need to limit access to FITs for large scale solar PV installations as the larger the installation the more benefit there is to the country and the institution. The tariffs are to stimulate savings in the future both financially and for carbon emissions. We believe that, as PV technology is a well proven technology with clear benefits for carbon emission reduction, incentives would continue to stimulate significant change. In addition, FITs are funded by the energy suppliers (and hence from their customers) so limiting access to FITs will play no part in meeting spending review targets.

We believe the reduction in tariffs for solar PV should only apply to much larger installations, of 250kW and above. There is a huge potential for installing solar PVs on large flat roofs which will not be realised if there is a strong financial case for limiting the size of the installation to 50kW. Installing larger PV schemes will be of great benefit to the University and College sector to help offset electricity use.

Q2: Do you agree or disagree with the proposed new tariff bands and the accompanying proposed reduction of tariffs for PV installations in these bands? Please give reasons for



your answer. If you disagree, please provide evidence to support an alternative.

Disagree

#### Comments:

We do not agree. PV installations need to be encouraged and made attractive for the education sector to ensure maximum long term benefit for the country with reduced ongoing utility costs and reduced carbon emissions. Reducing the tariffs will result in far fewer PV projects undertaken within the education sector due to the pressures on capital funding, combined with the extremely long payback periods.

As stated above, we believe the reduction in tariffs for solar PV should only apply to much larger installations, of around 250kW and above. There is a huge potential for installing solar PVs on large flat roofs which will not be realised if the financial viability of schemes is effectively restricted to 50kW.

Q3: Do you agree or disagree with the proposed timing of the change in tariffs including the implementation date of 1 August 2011 and that the tariff change will apply to all installations with an eligibility date on or after that date? Please give reasons for your answer. If you disagree, please provide evidence to support an alternative.

Disagree

#### Comments:

We strongly disagree with proposed timing change to August 2011. A lack of confidence is created when the Government change previous statements (as already stated a date of April 2012 for the review). Universities and Colleges are required to plan their capital expenditure very carefully and to submit these plans to the funding council. Planned projects will be jeopardised by this proposed change of dates and there could be a knee-jerk reaction with rushed projects being undertaken which are not properly planned and do not gain the greatest long term benefit for the sector.

We believe the Government should stick to the original review date of April 2012.

Q4: Can you provide any further information or evidence on predicted uptake of installations or other insights that you think DECC should be aware of about how the market for PV is evolving in the light of FITs?

#### Comments:

We believe the proposals will effectively sacrifice the UK's flourishing solar industry and will stifle the development of the Government's much heralded 'green economy'. We expect the sector is unlikely to invest in PVs given the lack of financial return on this investment at the proposed FITs.

## CHAPTER 2: STUDY IN THE UPTAKE OF FITS FOR FARM-SCALE ANAEROBIC DIGESTION (AD)

Q5: Do you agree or disagree with the proposed new tariff bands and tariffs for farm-scale AD? Please provide evidence to support your view. We would be particularly interested in quantitative evidence of the capital and operating costs of farm-scale AD schemes.

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Comments:



From a sector perspective, we don't think the proposed new levels will make any difference to the sector implementing AD technology. This technology does not provide the same level of carbon emission reduction opportunity for Universities and Colleges as PV. Hence we would prefer to see the PV tariffs held at the original rates until April 2012 to enable any planned projects on PV proven technology to conclude. Hence we don't agree with the proposed new tariffs.

Q6: Do you have any other views and associated evidence on the slow uptake of farm-scale AD under FITs to date?

Comments:

Q7. Do you consider that controls are necessary to prevent the wholesale expansion of energy crops for AD? If so what do you consider to be the best way to implement these controls to be considered in the comprehensive FITs review?

Agree

# Comments:

We think some controls would be desirable against wholesale expansion of energy crops for AD. For example, there could be an option to incentivise waste organisations to take advantage of AD.

## **CHAPTER 3: THE COMPREHENSIVE REVIEW OF FITS 2011-12**

Q8: Do you have any suggestions or thoughts on the scope of the comprehensive FITs review (by Tuesday 12 April 2011)

#### Comments:

We would like to see more evidence that organisations are putting in up to 250kW schemes as there does not appear to have been much uptake to date (as per Table 1, page 11). This is not surprising given that the FITs have only been in place for one year.

We look forward to the opportunity to comment on the formal consultation during the summer.