

SolarValue

The Feed-In Tariff

The Feed-in Tariff is a government-backed scheme to encourage homeowners to generate green electricity.



The scheme offers generous payments to homeowners for energy produced from renewable sources like solar power.

The payments are tax-free*, increase in line with inflation and are guaranteed for 25 years. An average system can provide a return of 11%, which makes them a great investment.

How does it work?

✓ You get paid for all of the electricity that you produce

This is called the **Generation Tariff** and means that your energy supplier will pay you a set rate for each unit (or kWh) generated, whether you use it in your home or not.

✓ Receive extra payment for power that is exported back to the grid

The **Export Tariff** has been set up because you won't be able to use all of the energy that your system produces. Your energy supplier will also pay you a little extra for any units that you export back into the National Grid.

✓ Cut your energy bills by using free solar electricity

The average home will use around 50% of the energy produced by a PV system. This is dependent on lifestyle and the more that you use your free electricity, the greater the reductions on your energy bills.

The Annual Benefit = Generation Tariff+ Export Tariff +Reduced Bills

When you need additional electricity you will be able to import it from the grid, paying your energy company as usual. As you can use electricity from your own panels, the amount you need to use from the grid will be reduced. This means that you will be paying your energy provider much less. As energy prices continue to increase, installing solar PV will protect you against these rises, therefore in time the savings you make will be greater.

If you invest in a solar system yourself, you are entitled to receive all of the financial benefits of the Feed-in Tariff. The exact Feed-in Tariff payment amounts available for the different sizes of PV systems are detailed below in pence per kilowatt hour (p/kWh):

Size of PV System	Feed-in Tariff (p/kWh)
<4kWp (new build)	37.8
<4kWp (retrofit)	43.3
4 – 10kWp	37.8