



Solar Photovoltaic (PV) Installations in the UK - Some Important Considerations

By Patrick Trowbridge

<http://www.contemporaryenergy.co.uk>

Since 2010 the UK has had a well established feed-in tariff (FIT) scheme for micro-generation. As with all Government initiatives, the qualifying rules have varied from time to time, so can be difficult to keep up with. There have also been several radical changes to the tariff rates. At first, it was quite obvious that the tariff offered a good return. But with each downward adjustment the perception of any casual observer is that the returns are no longer worth considering.

Let's now look at the various rules and the feed-in tariff to see why installing solar PV to your property is still a step well worth consideration.

1. Is planning permission needed?

From April 6 2008, homeowners have been able to install solar panels, without needing to obtain planning permission. Size limitations have been set to reduce any impact on neighbours. Solar panels attached to the building must not protrude more than 200 mm from the roof slope. The only exception is if your property is a listed building or is in a conservation area, in which case you will need to consult with your council planning department.

2. Can a householder install his own PV system?

To be eligible for the feed in tariff the PV system must be installed by an installer certified by the Micro-generation Certification Scheme (MCS). It also needs to be signed off by an electrician, and by a registered "competent person" for building regulations. Hence this is not something that can be done DIY.

3. What is the UK feed-in tariff (FIT)?

The feed-in tariff is a system of government grants that pay people to generate energy from renewable sources. Once registered on the scheme the payments are tax free, index linked and guaranteed for 20 years. The payments are independently funded and administered by Ofgem. Once you are registered at a specific FIT rate that rate is guaranteed and not at risk of any government interference. (They are only able to change the rules for new entrants.)

4. Are there any restrictions on who may qualify for the FIT?

From 1 April 2012, in order to qualify for FIT payments properties will have to have an Energy Performance Certificate rating of 'D' or above. While this is not too much of a problem for most properties it does ensure that the tariff does not go to properties that lack even the most basic measures of energy efficiency - loft and cavity wall insulation, energy saving light bulbs, and so on.

5. What is the largest system that qualifies for the FIT?

There is no limit, but the highest FIT rate paid per kWh is for systems which are up to 4kW (peak power).

6. The FIT rate is less than half what it was a year ago. How can PV still give a good return?

Quite simply, the cost of a typical system has come down by about the same proportion. You can look at this in two ways. For the same sized system you pay much less but receive less FIT income. Or, for the same outlay as a year ago, you can afford a system twice as large, generate twice as much electricity, and receive FIT payments similar to what you would have earned a year ago.

In summary, the feed-in tariff can still give a good return on investment due to the lower costs of installing a solar PV system. An MCS registered installer must be used but this has the advantage of ensuring that the installation meets a rigorous standard. The MCS scheme also gives the customer valuable consumer protection. Most properties have an Energy Performance rating of D or above. Those that don't can usually be upgraded with grants anyway.

If you live in the UK it is still worth giving serious thought to installing a solar PV system. The hurdles are not that great but 20 years of index linked, tax free income is!