



NEWS RELEASE

For immediate release: Thursday 22 December 2011

Regen calls on government to back solar energy

Regen, the independent centre of expertise in sustainable energy, today called on government to provide clear political backing and a transparent long-term approach to support for solar power. The call comes in response to the Government's consultation proposing slashing the subsidies for solar power in half from 12 December 2011, despite the consultation not ending until 23 December.

Regen's response has been submitted as the High Court finds that the government's approach to the changes is illegal. Government will be appealing the High Court decision in January and until that process is complete the tariff levels will be uncertain, creating further confusion for the solar industry. If the judgement stands, the rates for solar PV could potentially go back to the pre-12 December levels, until government has completed a full parliamentary process – estimated to take to the start of April 2012. This means that the 43.3p rate (for sub-4kW projects) could be available for new installations up to the start of April 2012.

Regen recommends waiting for greater clarity before making any business planning decisions based on this potential re-instatement of the higher tariff rates – Government could win the appeal, meaning the rates will remain at the lower post-12 December rate.

Merlin Hyman, Regen chief executive, said "The 12th December deadline led to short term rush that was not helpful to building a sustainable solar industry. Whilst we strongly disagree with the approach that has been taken, it is clear that simply reinstating the higher rates until April will not now achieve that aim."

Merlin continued, "We urge to the government to work together with the sector to overcome the current uncertainty and agree a clear, transparent, long-term approach to supporting solar."

Also today, a Select Committee of MPs has issued its report on the Feed-in Tariff consultation, slamming government for its “unfair” handling of the proposed changes. The MPs call on government to “develop a system to review and adjust Feed-in Tariff rates in an orderly and timely way.” The Select Committee also found that the energy efficiency requirements that the government is proposing as pre-requisites to claim the Feed-in Tariff for solar installations would devastate the industry and urged government to reconsider its approach on this issue.

Regen’s response to the consultation draws on the recent Regen report, *“The Benefits of Microgeneration and the Feed-in Tariff”* which reviewed the evidence of the first 20 months of the government’s Feed-in Tariff scheme to support small-scale renewable energy. The report found that more than 2,000 jobs in the south west have been created by the solar industry. Cuts to the Feed-in Tariff will place a large number of these at risk.

Regen is making the following recommendations to government:

- Clear political backing and a transparent long-term approach to support for microgeneration, across all technologies should be provided.
- The fixed cap on the cost of the Feed-in Tariff should be replaced by a transparent policy, to reduce tariffs in line with price falls to protect public expenditure whilst giving clarity needed for the industry to invest.
- The introduction of energy efficiency requirements to the Feed-in Tariff scheme should be kept simple and flexible.
- A premium Feed-in Tariff for community energy projects should be introduced.

-ENDS -

Notes to Editors

For a copy of Regen’s report go to <http://regensw.co.uk/news/2011/12/6/regen-report-on-benefits-of-microgen> . For more information about the current review of the Feed-in Tariff visit <http://regensw.co.uk/news/2011/10/28/fit-review> .

To read the Select Committee’s report go to <http://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/news/environmental-audit-committee/>

Interviews

To interview Merlin Hyman, contact us on the number below.

About Regen SW

Regen SW is a leading independent, not-for-profit, centre of expertise in sustainable energy. Its mission is to enable business, local authorities, communities and other organisations to deliver ground-breaking renewable energy and energy efficiency projects with thriving local supply chains.

www.regensw.co.uk

For further information

Please contact Merlin Hyman, Regen SW on 01392 494 399 or email mhyman@regensw.co.uk