

WMN Article: 31 October 2011

Amidst the economic gloom and job losses of the past year one bright spot has been a boom in jobs in renewable energy and, in particular, in solar energy. Regen SW's research shows there are over 380 businesses employing 2,000 people in skilled jobs installing solar panels on homes, community buildings and businesses across the south west.

However, the government decision to cut the 'Feed-in Tariff' payments in just a few weeks' time for those installing PV panels generating energy from the sun is putting these much needed jobs and local small businesses at risk.

The Feed-in Tariff was introduced to support local small-scale renewable energy installations that give households and communities control of their energy costs rather than being reliant on large-scale suppliers and imported fossil fuels. It provides a guaranteed payment on the energy produced for 25 years. The scheme was introduced just eighteen months ago with cross-party backing and strong support from both parties in the Coalition government.

The scheme has been very successful, particularly in the south west which has embraced local renewable energy with over 14,500 solar PV projects installed. This, I believe, could be nothing less than the start of a revolution in the way we use and generate our own energy - making the most of our local resources.

Local businesses have responded to the level of interest by investing in the skills and expertise to meet this demand, people have retrained and started new careers and communities have got together to generate their own power and take control of their energy costs.

This very success has, however, brought problems - the level of interest has been so high the government is concerned that it will cost much more than it has budgeted and launched a review with the aim to cut payments for projects installed after 1 April 2012.

There is broad agreement that substantial cuts should be made. The price of solar panels and installations have fallen rapidly and the money to support them could now be spread out much further by making the Feed-in Tariff less generous.

It is the speed of the proposed changes that has come as a shattering blow to businesses that install PV and communities looking to benefit from it. The government announced this week that Feed-in Tariff payments will be cut by more than 50% for any solar PV scheme installed from 12 December 2011. Demand will come to a virtual halt overnight leaving businesses that have entered into contracts, taken on staff, purchased stock etc. no time to adjust. Major job losses are inevitable.

Businesses that invest in good faith on the basis of government schemes should have reasonable timescales to adapt to changes. At these times more than ever we need government to support west-country businesses and communities, not undermine them with sudden policy changes.

The government says it is consulting on its proposals and DECC will be speaking at our Renewable Futures Conference in Bath on 9 November providing delegates the opportunity to engage direct.

Regen SW will be working with the Western Morning News to press hard during the consultation for a more sensible approach that protects west-country jobs. However, this is also an issue where you can have a real impact. I ask you to consider contacting your local MP to call on the government to reconsider. We have provided more information and template letters for you to use on our website:

www.regensw.co.uk