

2015 FiT review consultation - Main decisions affecting hydropower

This is a provisional summary of the [Government Response](#) to the FiT review consultation.

- The FiT scheme will continue - not scrapped/replaced
- Pre-accreditation processes will re-commence on 8 February 2016 - not scrapped - and will continue to count towards caps
- FiT generation rates for schemes accredited from 15 Jan 2016 will be:

Table 1 – New Generation Tariffs

Tariffs (p/kWh)	Installed capacity	Consultation tariffs	New tariffs (Jan 2016)
PV	<10kW	1.63	4.39
	10 - 50kW	3.69	4.59
	50 - 250kW	2.64	2.70
	250-1000kW	2.28	2.27
	> 1000kW	1.03	0.87
	Stand alone	1.03	0.87
Wind	<50kW	8.61	8.54
	50-100kW	4.52	8.54
	100–1500kW	4.52	5.46
	>1500kW	0.00	0.86
Hydro	<100kW	10.66	8.54
	100-500 kW	9.78	6.14
	500-2000kW	6.56	6.14
	>2000kW	2.18	4.43

- Quarterly default degeneration for Hydro has been applied in two bands - previously no banding - and will apply as follows, taking effect from 8 Feb 2016 for all FiT applications on or after 15 Jan 2016:

Table 8 – Default degeneration in the absence of contingent degeneration and RPI changes

2016 prices p/kWh	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Hydro													
<100kW	8.54	8.53	8.51	8.50	8.48	8.46	8.45	8.43	8.42	8.40	8.39	8.37	8.35
100 - 500 kW	6.14	6.14	6.13	6.12	6.11	6.11	6.10	6.09	6.09	6.08	6.07	6.06	6.06
500 - 2000 kW	6.14	6.14	6.13	6.12	6.11	6.11	6.10	6.09	6.09	6.08	6.07	6.06	6.06
2000 - 5000 kW	4.43	4.43	4.43	4.43	4.43	4.43	4.43	4.43	4.43	4.43	4.43	4.43	4.43

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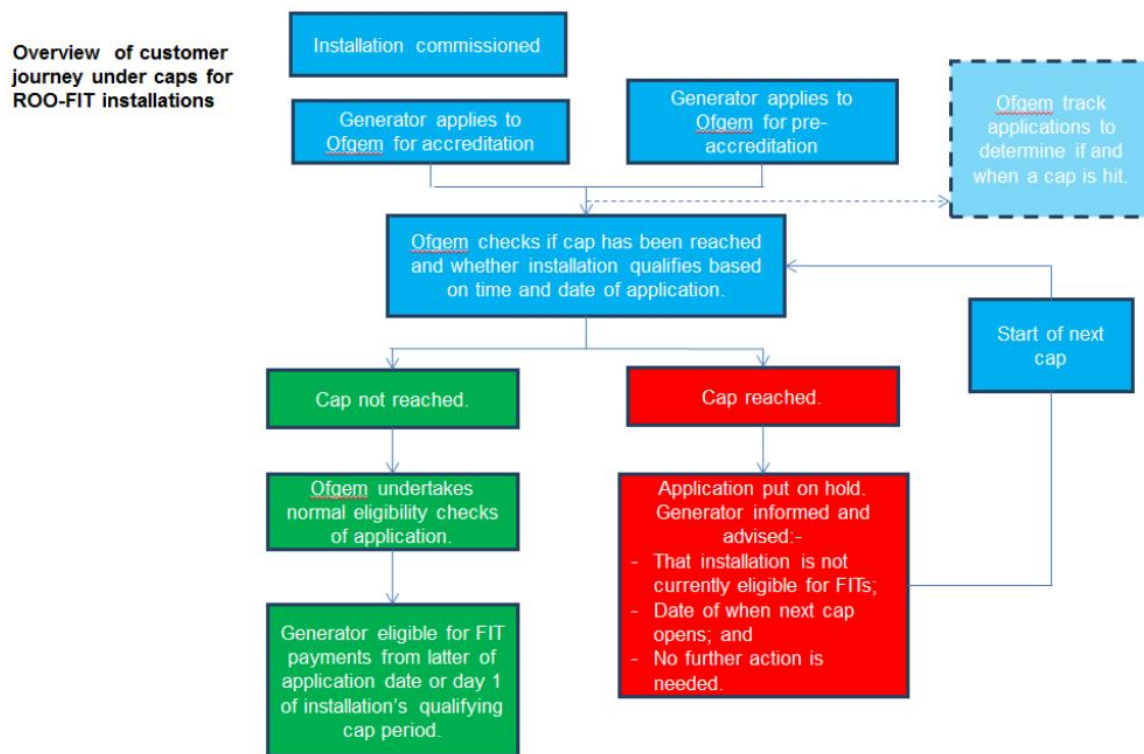
- Quarterly caps are as follows:

Table 2 – Maximum Deployment caps (deployment per quarter)

		2016				2017				2018				2019
Maximum Deployment (MW)		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Hydro	0-100kW	1.1	1.1	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4
	100-5000kW	6.1	6.2	6.3	6.3	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.3	6.3

- There will in addition be contingent degeneration of 10% in rates if quarterly caps are exceeded. However, "Government will monitor the level of contingent degeneration and may consider changing it, subject to future levels of deployment or a sudden change in the cost of deployment". This is the process for applying caps:

Figure 2



- The right to receive a generation tariff for extensions will be removed for all installations, but the definition of what constitutes an extension of a hydro scheme where the schemes are many miles apart has been relaxed so that such schemes are considered to be new.
- There are to be no changes to Export tariffs, nor to indexation of tariffs.
- There will be a 4 week "pause" in issuing of accreditations from 15 Jan 2016 to 8 Feb 2016 so that the new regime can be put in place.