

One thing we have learnt this week – Daylight robbery

Posted on **December 21,2018** by **admin**

Image not found

[Solar PV on my roof](#) I wasn't going to do a post until after Christmas but occasionally you come across something so annoying and disturbing that it changes your mind. If what is planned to happen happens it can only be described as daylight robbery. In the news over recent week has been the news that when the Feed in Tariff (FIT) ends in March then any installations after that date will not get any money at all. We knew obviously that when the FIT ends new installers would not get *generation* money but the assumption was that they would at least get money for the electricity they sent to the grid. This is not to be the case. In principle they are giving a lot of electricity away to utilities that are generally quite profitable. All attempts to stop this have failed (the "consultation" responses were about 95% against apparently). The export revenue is not huge, for my systems it was about £20 in 2017. But small amounts add and tip the balance on the payback. Hopefully (and I expect this to happen) some suppliers particularly at the green end will pay something, but they will not be forced to. This is clearly daylight robbery. (One rare bit of good news for existing users is that if you install storage on site you will get the export tariff to your battery system.) If this is not bad enough another form of daylight robbery is planned and this is retrospective and will affect *all* renewable micro-gen systems. OFGEM (the UK energy regulator) is planning to alter the way the network is paid for. All users pay a small charge in their electricity bill towards the upkeep of the grid. This is not even itemised on my bill as to where the costs go. The argument goes that those of us that generate on-site import less and are not paying enough and this is costing other energy users. At first glance this seems a fair outcome. Then you start to think about it, its daylight robbery for the following reasons. 1) When the FIT and grant scheme before this was introduced no mention was made of this. I doubt if those rushing to install systems to beat the current deadline are aware of it either although the idea has been kicking about for a year. It will seriously affect their payback since the FIT rates are so low. Retrospective change is dangerous. 2) We were told that installing such systems would reduce the strain on the grid. Therefore we are saving the grid money. Many years ago I came across OFGEM or National Grid documents online that stated this would be the case. 3) Not all systems are equal in terms of power output/export etc. But beyond that the *ownership* of systems varies. Many local authorities installed systems on social housing to reduce the energy costs of those on low incomes. Who is going to pay the increased cost when many struggle in fuel poverty? What about rent a roof schemes? 4) This is a total disincentive to energy efficiency. Why install anything that saves energy? OFGEM by and large energy demand at the moment is on a downward path. This is for the simple reason that every-time we replace something it uses less energy than its predecessor. So the network contribution made by all users will fall until electric cars really take off. Will households who have them pay a surcharge? 5) This is disincentive to invest in renewables when we need more. It looks like almost all the new nuclear build is going to be cancelled. We need more renewables not less. 6) Actually those of us who have installed systems are doing everyone a favour. Not only are tackling climate change and peak oil/energy security. We are also as pioneers helping to reduce the future prices for others - this has worked. 7) The type of proposed charge to be levied is unfair. OFGEM are considering four different types of charges. A per unit charge (on both generated power and imported power), two types of capacity charge and a fixed charge. The fairest is a per unit charge since this at least on the import side this gives makes the PV more cost effective and drives efficiency. Perversely this is why OFGEM seem to be opposed to it for domestic users. Plus they think you cannot calculate the proportions. I thought that was what metering was for, particularly smart metering? A standing charge is the least fair way of charging for energy use and should be abolished for all users, since you cannot conserve. 8) The argument takes no account of the efficiency of microgeneration. You generate it where you need it and it takes no account of the value of the exported electricity which will go our immediate neighbours. The cost for me as a low import

user and small scale producer as well will about £47-130/year. This is the cost to the domestic user there is a danger that once business learns about this they will lobby successfully on their behalf and we will pay more. You got until 2021 if it goes ahead but not as long as that to stop it. The fairer idea OFGEM is for everyone to do what the French do. The cost of your electricity is based around capacity. There are three different levels I believe, you choose your level. High import capacity users pay the most and low the least. If you exceed the capacity the power goes off until you cut back. This would incentivise everyone to conserve. It means the poorest who usually use less would pay the least. This idea is unfair to introduce retrospectively (particularly for those just installing now), complicated and sends all the wrong signals. I'm seriously thinking of setting up a social media group to stop it. If you have a PV system or any other microgen and are happy to pay the above then fine. As more me I'm determined to try to stop it. I think its daylight robbery. Some more details can be seen [here](#). Neil

Posted in:One Thing We Have Learnt This Week,Practical Low Carbon Living,Renewables,Solar,Solar PV,Uncategorized | Tagged:Solar Energy Payback,Solar PV | With 0 comments