

Low Carbon Buildings Programme - Phase 2 Extended (LCBP2E)

Frequently Asked Questions – Closure of the electricity streams and announcement of Feed in Tariffs (FITs)

What are the current changes to LCBP2E?

Phase-1 and Phase-2 have closed to all new applications for grants for electrical microgeneration from Wednesday 3rd February (5pm), which was shortly after the publication of the Government's consultation on the Feed-In Tariffs (FIT's) on the 1st February 2010.

Why are these changes being made

The publication of the of the Government's decision document on the Feed-In Tariffs (FITs) on Monday 1st February will provide additional certainty for the industry to continue to develop and was in advance of the introduction of feed in tariffs in April 2010.

The closure of the programmes to electrical microgeneration projects will allow the remaining un-allocated funding to focus on supporting thermal Microgeneration projects until the introduction of the Renewable Heat Incentives (RHI's) scheduled for April 2011, or until funds last, whichever one is sooner.

The Feed-In Tariffs are due to come in on 1st April 2010

Will my current grant offer letter still be valid?

If you have a current valid Grant Offer Letter for electrical microgeneration equipment, as long as it has not expired, then it will still be valid up to its expiry date.

Will my application still be valid as I made it a month ago?

Applications that have been received before 5.00pm on 3rd February will still be processed and accepted/rejected on merit as before. We will not be accepting new applications after this time.

Can I still get a grant for solar thermal and other heat generating technologies?

Both Phases of LCBP remain open to new applications for thermal microgeneration including Solar Thermal, heat pumps, wood fuelled boilers and automated pellet stoves. The LCBP programme has however got a finite budget and we will continue to offer grants until that budget limit (£131 million) is reached.

Why was the closure announced so suddenly?

*DECC had to take a decision based on the amount of **funding remaining unallocated**. DECC would like to offer support to the thermal microgeneration sector in the run-up to the Renewable Heat Incentive (RHI). However the demand for electrical microgeneration grants has been unprecedented and it was therefore decided that it would be best to make the announcement without delay, leaving little time to give warning of closure. Unfortunately it was therefore not possible to phase this closure with the FIT's announcement in April 2010.*

How much of LCBP funding has been committed to electrical microgeneration?

The LCBP Programme, which has been running since 2006, has so far supported over 14,500 grants to householders and 3,000 grants to schools, churches, communities and other not-for-profit organisations. This covers installations of small scale to community sized projects for on site renewable energy technologies such as solar photovoltaics, wind turbines, biomass boiler and other technologies covered by LCBP.

The Low Carbon Buildings Programme has committed, to date, over £62 million (64%) of funding to electrical microgeneration of which £54 million has been committed to support solar photovoltaic installations.

How do FITs interact with LCBP?

The £45 million extension to the LCBP programme announced in Budget 2009 was to provide continuity until the FITs and later RHI tariffs are introduced (or until funds ran out).

LCBP will be replaced by FIT's and RHI's:

- FITs is due to commence on 1st April 2010
- RHI is due to commence on 1st April 2011

I have had an LCBP Grant to install for a electricity generating technology. Will I be able to claim FITs?

1. If you have received a householder grant under LCBP-1 – you will be able to claim FITs and retain your grant.

2. If you have received a grant for electricity generating technologies under LCBP-2 (charities, schools communities and other not-for-profit organisations) after 15th July 2009, you have the choice of retaining your grant and will not be eligible for FITs OR repaying your grant and claiming FITs. The process for repaying grants has yet to be finalised.

If you received a LCBP-2 grant before 15th July you cannot claim FIT's but up to **31st March 2010** you may be able to apply for **Renewable Obligations (RO)**. From April 1st no microgeneration (i.e. <50kW) PV, wind or hydro will be eligible for Renewable Obligation Certificates.

Where can I get further information?

FIT consultation and response

www.decc.gov.uk/en/content/cms/consultations/elec_financial/elec_financial.aspx

DECC announcement to close LCBP to all new applications for electricity generating microtechnologies.

www.lowcarbonbuildingsphase2.org.uk/page.jsp?id=39

Queries about claiming ROCs – check with your installer or go to the Ofgem website –

www.ofgem.gov.uk/Sustainability/Environment/RenewablObl/Pages/RenewablObl.aspx.