

The facts

The Government changed the Feed-in-Tariff without due consultation on 12th December 2011. A court case a week later rules that this was unlawful. The DECC appealed.

The Appeal Court announced their ruling on Wednesday 25th January, coming down against the Government. DECC have however as expected announced their intention to seek to appeal to the Supreme Court, a process which could take up to a year to complete. What does this mean?

- DECC have issued a **statement** making it clear that in their view the lower rates could still apply to installations from the 12th December onwards and consumers should be advised of that.
- DECC are enacting **legislation** that will enforce their new lower rates as of the 3rd March, irrespective of the outcome of the court process.
- DECC have published a **briefing document** giving full details of their position.
- Nobody can say with any certainty what the outcome of the Supreme Court process will be, but for < 4kWp systems the minimum tariff that consumers installing in this period will receive is 21p. If the Government's appeal is unsuccessful, or should they decide to withdraw it, consumers will receive 43.3p.

Present Position Assessment

Nothing actually changed as a result of the Appeal Court ruling, except that the uncertainty was extended and placed in the hands of the Supreme Court. However, the likelihood of the Government winning the case in the Supreme Court is now extremely unlikely.

The Government move to refer the case to the Supreme Court is clearly designed only to cause uncertainty in the mind of potential buyers, the result of which will be fewer decisions to purchase and a reduced cost to the large energy companies.

It is now expected that DECC will drop the appeal to the Supreme Court one at the end of February / beginning of March. The 43.3p FITs rate will then apply for 25 years retrospectively for all installations between 12th December and 3rd March as well as the pre-12th December installations. By which time there will be no time to order and install a PV system at 43.3p FITs rate.

If you are considering an installation at all. Install now.

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