

RT Hon Chris Huhne, MP
Secretary of State for Energy and Climate Change
Department of Energy and Climate Change
4th Floor
Area A/B
3 – 8 Whitehall Place
London, SW1A 2AW

2 December 2011

Dear Secretary of State

Feed in Tariffs for Solar Photovoltaics

I am writing to you on behalf of South West Councils about the Department for Energy and Climate Change's Comprehensive Review (Phase1) Consultation on Feed in Tariffs for Solar Photovoltaics and in particular our concern and disappointment that the consultation proposes an unexpected 50% reduction in the rate of feed-in tariffs to take effect for new solar photovoltaic (PV) installations as early as 11th December 2011.

In your speech to the LGA Conference in July 2010 you announced measures 'to allow local authorities to take full advantage of the incentives that are available through feed-in tariffs to invest in renewable energy on their own buildings'. At that time a reduction in feed-in tariff rates for new installations was anticipated on 31st March 2012, in line with capital cost reductions of PV installations.

The change in timetable will have an impact on local authority planned schemes, which based their projections on the government's advice. Realisation of the value for money and the environmental benefits intended has been threatened from the change in timetable.

There will be an impact on communities and the local economy if the Government cannot be persuaded to re-consider. Local Authority schemes have tended to stimulate the growth in the PV sector but again it is likely that many of these companies will be impacted adversely – the PV industry estimates 5000 job losses nationwide.

We would therefore urge you to support the growing call to the Government:

- For a re-instatement of the 31st March 2012 timetable for a reduction in feed in tariffs at least for local authorities and community funded schemes.
- To manage the feed in tariff programme to retain an 8% return for public sector investment , to enable Prudential borrowing to be used to finance solar PV installations on public buildings and schools.

If you require any further information please do not hesitate to contact me.

Yours sincerely



Clr Angus Campbell
Chair, South West Councils
Leader, Dorset County Council