Review: Feed-in Tariffs scheme

Submission from CIBSE

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1. The Chartered Institution of Building Services Engineers (CIBSE)

1.1 CIBSE is the primary professional body and learned society for those who design, install, operate and maintain the energy using systems, both mechanical and electrical, which are used in buildings. Our members therefore have a pervasive involvement in the use of energy in buildings in the UK with a key contribution to sustainable development. Our focus is on adopting a co-ordinated approach at all stages of the life cycle of buildings, including conception, briefing, design, procurement, construction, operation, maintenance and ultimate disposal.

1.2 Building services engineers work within in an industry that has a significant contribution to make to sustainable development, having impact on all three components (environmental, social and economic). Building services engineers are directly responsible for ensuring that buildings:

- Are cost effective to develop and run
- Use minimal amounts of fuel and energy
- Provide acceptable thermal comfort for occupants
- Provide good indoor air quality
- Deal effectively with wastes
- Are adaptable to climate change
- Are properly operated and maintained

1.3 CIBSE is one of the leading global professional organisations for building performance related knowledge. The Institution and its members are the primary source of professional guidance for the building services sector on the design and installation of energy efficient building services systems to deliver healthy, comfortable and effective building performance. CIBSE publishes specific guidance on the design of solar photovoltaic systems which was first developed in collaboration with the industry in 1999.

2. Securing value for money

2.1 Achieving a subsidy-free existence for renewable energy technologies in the UK is a sensible long term market objective. The key challenge is enabling a smooth transition from the current situation to the desired subsidy free scenario, providing adequate but diminishing support and maintaining a degree of predictability around that support to enable businesses to plan their operations, training and skills development and business financing appropriately.
2.2 The current proposals for the Feed-in Tariffs scheme risk a ‘cliff edge’ situation, where the revised generation tariffs taper too quickly, cripple the renewables market, undermine growth and employment in the sector and seriously erode value for already committed taxpayer support for the sector.

2.3 Such action is quite contrary to the Government’s clear pledges to foster entrepreneurship and support SMEs, and to promote productivity, growth and employment. There needs to be a coherent and stable policy landscape to provide appropriate market signals to support business growth and investor confidence in the renewable energy sector.

2.4 The proposed changes to the tariff will jeopardise the value from subsidies already paid since the scheme was set up. Significant public investment has already been made in renewable energy, people have been trained, a support infrastructure created and public confidence gained. Many of those in the PV sector have been trained in new skills as a result of the government support programme for the sector, and a precipitate end to the feed in tariff regime risks losing those skills and completely wasting that investment in them for good. All of this will be hugely damaged and be very difficult to rebuild.

2.5 The proposed changes to the subsidy arrangements will also undermine investor confidence and make it more difficult to attract much needed investment to the energy generation sector. This is not in the UK national interest.

2.6 Renewable energy not only has environmental, social and economic benefits, it is a key part of energy security. Relying on fossil fuels and imported fuels is not a secure strategy. Renewable energy, along with energy efficiency, is a much more resilient option and should be supported nationally as such.