



23<sup>rd</sup> November 2011

[chris.huhne.mp@parliament.uk](mailto:chris.huhne.mp@parliament.uk)

Rt Hon Chris Huhne MP, Secretary of State for Energy and Climate Change

Dear Chris,

We are writing to protest in the strongest possible terms at the changes proposed by the government to the Feed In Tarriffs.

In doing so we are writing in support of colleagues in Friends of the Earth, the LGA Liberal Democrat Group, and Green Liberal Democrats in raising serious objections to the proposals led by your department.

The current FIT regime has enabled a very valuable, green industry to grow and bloom whilst making an important contribution to educating the public in using sustainable energy sources and furthering the cause of reducing the effects of climate change.

Halving the FITs will cut this new green industry off at the knee with one stroke. Simultaneously it will adversely affect the economics of sustainable power generation making it unaffordable to many would-be pioneers in the field, and also as a result of a drastic drop in orders it will lead to the loss of thousands of jobs in an industry where the UK had a significant position.

This is double whammy for sustainable energy and for green jobs here in Reading and elsewhere. This in turn risks undermining David Cameron's pledge that this will be the 'Greenest Government ever.'

When the announcement was made just three weeks ago we feared the changes would mean many of the planned schemes for Reading may no longer be economically viable.

After detailed re-modelling work Reading Borough Council officers have now confirmed to us that ,at current solar panel prices, this is the case. Detailed pricing from the supplier will determine how many systems - if any - will be able to go ahead.

As well as the local authority's own proposed solar power scheme, the Council has also partnered 10:10 - an international carbon reduction organisation - who in September launched a separate solar project in Reading aimed at helping local primary and secondary schools reduce their carbon footprint and raise funds to buy their own solar panels. Officers have confirmed that the proposed Government changes, if approved, would greatly reduce the benefits of individual school solar projects.

Last year, Liberal Democrat councillors on Reading Borough Council (part of a Coalition administration) instructed officers to work up a programme based on the Feed in Tariff scheme and budgeted for a major investment in solar energy by the Council, both as something that would benefit council tax payers and as an exercise in leading by example.

A delay to our scheme, caused by the incoming Labour administration, has meant that it has fallen victim to the reductions you announced and the premature ending of the tariff on which our scheme was based. As a result of these it is now not possible to proceed with this important Liberal Democrat initiative because of the guillotine imposed on commissioning.

The plans unveiled by the new administration in August to install large numbers of environmentally-friendly solar panels on a number of council owned buildings which attracted cross-party support would have produced green energy and cut energy bills, passing on significant savings to the public purse and the Reading taxpayer.

Whilst we understand that the scheme may have been too successful in the government's view and the effects of the falling costs of installation, it could have been reduced much more gradually and preserved an industry and many schemes, like ours, which were at an advanced stage of planning. We therefore urge you to review the end date and allow schemes that are already well advanced to still qualify for the tariff.

As Liberal Democrats and local councillors we urge you to reconsider these drastic changes to FITs and allow Reading Borough Council to complete the ambitious programme initiated by us which will deliver real benefits for residents in Reading.

Specifically, we would urge you to:

- Extend the existing deadline of December 12 for community-based schemes to earn the existing tariff rates to April, as originally planned
- Enable a higher rate of FIT to be available for schemes that can demonstrate a community benefit
- Remove the additional reduction that applies for the owner of multiple systems for community based schemes
- Investigate the option of raising the budget cap placed on the scheme, allowing the profits made through power generation by the big six utilities companies to be further re-invested into green community based schemes

We look forward to your response.

Regards

Cllr Ricky Duveen  
Liberal Democrat Environment Spokesperson, Reading Borough Council  
On behalf of the Liberal Democrat Group, Reading Borough Council.