

Technical Bulletin

Smart Export Guarantee

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TECHNICAL BULLETIN

The Smart Export Guarantee (SEG) What is it and what is required?



The Smart Export Guarantee (SEG) is being introduced by the Department for Business, Energy and Industrial Strategy (BIS) as a mechanism to pay individuals who generate small amounts of renewable energy for the electricity they export onto the national grid. SEG will come into force on 1st January 2020.

GENERAL PARAMETERS

The provision of at least one SEG tariff is compulsory for all licenced energy suppliers with >150,000 customers.

Alternative arrangements for payments for exported electricity can be offered by all licenced energy suppliers—including smaller suppliers.

WHICH RENEWABLE ENERGY INSTALLATIONS ARE ELIGIBLE?

Eligible renewable energy installations are:

- <5mw: Solar PV systems, onshore wind, anaerobic digestion, hydro
- <50kWe: Micro-combined heat & power

CERTIFICATION REQUIREMENTS

Both the proposed renewable energy technology and the installer/installation company **MUST** be certified under the Microgeneration Certification Scheme (MCS) **or equivalent**. For example an alternative body for installers could be Flexi-Orb.

VALUE OF EXPORTING ELECTRICITY & ENERGY STORAGE

The tariff rates will be set by the licenced energy suppliers and there is no set or minimum tariff rate for SEG—the only requirement is it must be >0 at all times—and individuals can only receive SEG from one supplier.

The likely starting point will be around the previous export tariff associated with the Feed-In Tariff scheme (5.38p/kWh). For example Octopus Energy are offering 5.5p/kWh at present.

If energy storage is used with PV or wind turbines, the battery could store some grid electricity before exporting it which the licenced energy suppliers do not have to pay for. As such, discussions with the licenced energy supplier would be required to separately meter the renewable electricity generation.

GRANT FUNDING & FINANCING

SEG can be claimed with other grants/financial support **EXCEPT** if a system is already receiving payments under the Feed-in Tariff scheme. However, individuals can opt out of the FIT and then apply for SEG.

FURTHER INDUSTRY INFORMATION

Guidance for Application (Installers) :

<https://mcs-certified.com/wp-content/uploads/2019/11/MCS-SEG-API-Guide-v1.1.pdf>

Equivalent Schemes (scroll to bottom of link):

<https://mcs-certified.com/about-us/governance/>

Background Information:

<https://www.energysavingtrust.org.uk/renewable-energy/electricity/solar-panels/smart-export-guarantee-and-feed-tariffs>



QUESTIONS? LETS TALK!

If you have further questions, or would like to discuss this further please **contact the award-winning SRE Team** on 01730 710044, malcolm@sre.co.uk or visit www.sre.co.uk