

## **UK lifts local authorities renewable energy sales ban**

UK Energy and Climate Change Secretary Chris Huhne has written to local authorities to advise that councils across Britain will soon be allowed to sell renewable electricity to the grid, providing a potential income of up to £100 million a year for local authorities across England and Wales. At present 0.01 per cent of electricity in England is generated by local authority-owned renewables. In one of the first energy policy actions of the new Coalition Government, a ban on local authorities selling renewable electricity will end on 18 August 2010. This will open new sources of income including through the renewable electricity feed-in-tariff. "I've taken the early step of overturning the ban on local authorities selling renewable electricity to the grid," Huhne says. "I've today written to all councils urging them to take advantage and lead a local energy revolution." Woking Borough Council Chief Executive Ray Morgan says: "The council welcomes the announcement by the energy secretary, and the commitment shown by the Coalition Government, to enabling local authorities to provide and support low or zero carbon energy production. Woking has made strenuous efforts over the years to produce energy locally and hopes that this strong signal from the government will be supported by the regulator, Ofgem, to remove other barriers which frustrate the delivery of local energy solutions." At present local authorities are able to put any renewable electricity they generate to local use, and to benefit from the associated feed-in-tariff for projects smaller than five megawatts. But they are restricted from selling any excess renewable electricity into the grid (other than that generated from combined heat and power), and also from benefitting from the additional export component of the feed in tariff.

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