

Feed-in Tariff Statement of Terms

Please read these terms carefully.

1) Definitions

Accreditation	The process of accreditation via one of the following routes: a) Microgeneration Certification Scheme (MCS), which certifies Microgeneration products and installers in accordance with consistent standards b) ROO-FIT- is the process of accreditation by the Authority for eligible Generation Units not covered by MCS
Agreement	this Statement of Terms and Your FITS Schedule
Approved Export Meter	a meter complying with the appropriate meter legislation which measures the amount of electricity being exported to the Electricity Network
Approved Generation Meter	a meter, which You are responsible for, complying with the appropriate meter legislation which measures the quantity of electricity generated by Your Generation Unit(s)
Authority	the Office of Gas and Electricity Markets (Ofgem)
Central FITS Register	the register kept and maintained by the Authority for the purpose of recording details of the FIT Scheme
Electricity Network	the local electricity distribution network operated by a licensed distribution network operator
Fixed Export Tariff	the rate per kWh determined by the Authority for electricity generated and exported to the Electricity Network
FITS Schedule	a statement confirming the specific terms upon which Your Agreement is based
FIT Scheme	a Government scheme introduced to incentivise small-scale, low carbon electricity generation by providing payments for householders, communities and businesses to allow them to become generators of electricity
Fixed Export Tariff Payment	a quarterly payment made to the payee in respect of the electricity exported to the Electricity Network
Generation Tariff	the rate per kWh determined by the Authority for electricity generated by a Generation Unit
Generation Tariff Payment	a quarterly payment made to the payee in respect of electricity generated by an eligible Generation Unit(s)
Generation Unit	a unit which generates electricity, from one of the following technologies: Solar Photovoltaic, Anaerobic Digestion, Hydro or Wind up to 5MW installed electrical capacity, Combined Heat and Power (CHP) units up to 2kW installed electrical capacity
Meter Reading Date	we will notify You of Your Meter Reading Date once We have received confirmation that You are entered onto the Central FIT Register, this information will be included in Your FITS Schedule
Retail Price Index (RPI)	a measure of inflation as published by the Office of National Statistics
ROC	Renewable Obligation Certificate, a separate scheme in which a certificate is issued to an accredited Generation Unit for eligible renewable electricity generated

Site	the premises at which the Generation Unit(s) is situated
Start Date	the date that this agreement commences as set out in Your FITS Schedule
You/Your	the person or people who have entered into this Agreement with Us
We/Us/Spark	Spark Energy Supply Limited
Working Days	Monday to Friday (09.00-17.00) with the exception of public holidays

2) Statement of Terms

The FIT Scheme is a Government initiative designed to benefit individuals, businesses and communities with eligible Generation Unit(s). Benefits are provided in the form of a Generation Tariff Payment for the electricity generated by the Generation Unit(s), plus, where applicable, an Export Tariff Payment.

We are a licensed electricity supplier and are acting on behalf of the Government in making Generation Tariff Payments and Export Tariff Payments under the FIT Scheme.

This Statement of Terms details who is eligible for the FIT Scheme and under what terms they can obtain Generation Tariff Payments and Export Tariff Payments.

3) Eligibility for FIT Scheme

Your Generation Unit(s) may be eligible for Generation Tariff Payments if the following criteria are met:

- Your Generation Unit(s) has a total installed capacity no more than 5MW (no more than 2kW if CHP)
- Your Generation Unit(s) has the necessary Accreditation
- The electricity generated by your Generation Unit(s) is measured by an Approved Generation Meter
- Your Generation Unit(s) is not registered to receive Generation Tariff Payments with any other energy supplier
- Your Generation Unit(s) is not registered to claim ROCs
- All information provided to Us in respect of the FIT Scheme is complete and accurate

In addition, You may be eligible for Fixed Export Tariff Payments if Your Generation Unit(s) is connected to the Electricity Network.

4) Voluntary FIT licensee Requirements

Spark Energy is currently a Voluntary FIT licensee and will remain as such until the threshold of 250,000 domestic customers has been met to qualify for mandatory FIT licensing. As a voluntary FIT licensee, Spark Energy will only supply the feed-in tariff to Spark Energy domestic customers with a renewable energy installation of an installed capacity of 50kW or less.

5) Voluntary FIT Licensee Conditions

As a voluntary licensee, Spark Energy may decide to withdraw from participation in the FIT scheme at any time. However, if it does decide to withdraw from the scheme, Spark Energy will still be required to continue its existing obligations under the FIT scheme for the remainder of the FIT year in which it has given notice of its withdrawal, *unless* notice was given after 14 February in any FIT year, in which case Spark Energy shall continue its obligations for the next 6 weeks from the date upon which notice was given. Spark Energy will also notify Ofgem of its decision to withdraw and notify the Generators to whom FIT payments are made.

6) Entering into the FIT Scheme

You will need to complete an application form to commence entry to the FIT Scheme. We will check the information You have provided and, if We accept that You are eligible for the FIT Scheme, We will enter Your details onto the Central FIT Register. Upon receiving confirmation from the Authority that You are registered We will then send Your FITS Schedule to You. You will have 10 working days to send back a signed copy of this to confirm acceptance of this Statement of Terms, without which We cannot commence payments.

You will be required to provide Us or the Authority with information, declarations and evidence as reasonably requested in order to enable administration of the FIT Scheme.

7) Commencement Date and Duration

This Agreement is between You and Us. The commencement date of this Agreement and the total period for which You will receive payment is set out in Your FITS Schedule. Each Generation Unit(s) is only eligible for the FIT Scheme for the period allocated to it as is set out in Your FITS Schedule. If You have taken ownership of a Generation Unit(s) that is already registered on the Central FIT Register You will receive payments for the remainder of the period. The first date of registration of the Generation Unit(s) is shown on Your FITS Schedule.

8) Generation Metering

You must have an Approved Generation Meter to measure the amount of electricity generated by Your Generation Unit(s). The meter must be positioned in an accessible location for meter readings to be obtained. You must provide meter readings from this Approved Generation Meter to Us no more than seven days before or seven days after the Meter Reading Date. We shall validate the meter reading against the expected generation capability of that type of Generation Unit(s). Meter readings must be sent to Us using the contact details provided on Your FITS Schedule.

If You fail to provide meter readings within the required timescale, or if the meter readings fail validation by Us, Your Generation Tariff Payment for that quarter will be carried over to the next quarter for which We receive a fully updated valid meter reading within the required timescales.

You agree to allow Us or the Authority safe and reasonable access to your Site to carry out services in connection with this Agreement.

We reserve the right to check Your Generation Unit(s) and meter(s) to confirm the information held on the Central FIT Register. If We find the information You have provided to be incorrect We will notify the Authority and they will take the appropriate action which may involve terminating this Agreement.

9) Generation Tariff Payments

The Generation Tariff and the Generation Tariff Payments will be made in accordance with information held on the Central FIT Register.

We will make Generation Tariff Payments to You in accordance with rates published by the Authority, as amended from time to time. If this happens, We will inform You in Your next payment statement and Your payment will be adjusted to reflect this change.

Where We have received a valid meter reading within the required timescales We will send You a Generation Tariff Payment using the payment method details shown on Your FITS Schedule. Your Generation Tariff Payment is due to You every three months, subject to Us receiving valid meter readings within the required timescales.

VAT is not applicable to electricity generated by Your Generation Unit(s).

If You dispute a payment statement, please contact Us immediately and We will work with You to try and resolve the issue.

If We are notified by the Authority that You are suspended or removed from the Central FIT Register We will cease Generation Tariff Payments until We are notified to recommence by the Authority.

10) Export Metering

You will only be eligible for Fixed Export Payments if Your Generation Unit(s) is connected to the Electricity Network. If any one of Your Generation Unit(s) has an installed capacity above 30kW and You wish to benefit from Fixed Export Tariff Payments, an Export Meter must be connected to measure the amount of electricity You are exporting to the Electricity Network.

If Your Generation Unit(s) has an installed capacity of 30kW or below, an Export Meter is not mandatory in order to receive Fixed Export Tariff Payments and where this is the case Your Fixed Export Tariff Payment is calculated at 50% of Your total generation (or 75% for Hydro generators) as measured by Your Generation Meter.

If You have an Export Meter You must provide meter readings from this Export Meter to Us no more than seven days before or seven days after the Meter Reading Date. We shall validate against expected generation capability of that type of Generating Unit. Meter readings must be sent to Us using the contact details provided on Your FITS Schedule.

If You fail to provide required meter readings, or if the meter readings fail validation by Us, Your Fixed Export Tariff Payment for that quarter will be carried over to the next quarter for which We receive a fully updated valid read within the required timescales.

You agree to allow Us safe and reasonable access to Your Site to carry out services in connection with this Agreement, including, but not limited to meter inspection, testing and if appropriate, maintenance and replacement.

11) Fixed Export Tariff Payments

Fixed Export Tariff Payments will be made in accordance with information held on the Central FIT Register. We will make Fixed Export Tariff Payments to You in accordance with rates published by the Authority, as amended from time to time.

Where We have received a valid meter reading within the required timescales We will send You a Fixed Export Payment in accordance with the payment method details shown on Your FIT Plan. Your Fixed Export Tariff Payment is due to You every three months, subject to Us receiving Your relevant meter readings within the required timescales.

For domestic customers and organisations that are VAT exempt no VAT payments will be paid for exported electricity. If You are a business that is VAT registered VAT will be added at the appropriate rate to Your Fixed Export Tariff Payments. You need to provide Us with Your VAT registration number. You undertake to accept self-billing of Your output tax: see Section 16 below. We will provide details of output tax due by You on Your Self Billing Invoice. You are responsible for declaring the output tax on the FIT.

If You dispute a payment statement, please contact Us immediately and We will work with You to try to resolve the issue.

If We are notified by the Authority that You are suspended or removed from the Central FIT Register We will cease payments until We are notified to recommence by the Authority.

12) Generation Units not connected to the Electricity Network

If Your Generation Unit does not export electricity onto the Electricity Network You will not be eligible for any Fixed Export Tariff Payment under the FIT Scheme. You must sign the declaration in the application pack to confirm that You understand this restriction. Failure to do so could lead to a delay in processing Your application.

13) Opting Out of Fixed Export Tariff Payments

You can switch to a market-based export payment from another supplier by opting out of receiving the Fixed Export Tariff, provided that it is at least one year since Your Start Date or the date You opted into receiving Fixed Export Tariff Payments. We will stop making Fixed Export Tariff Payments to You with effect from the date requested providing that it does not require Us to act retrospectively. To ensure that You are paid the correct amount You will need to provide Us with the relevant meter reading.

14) Changes of Ownership and Assignment of Rights

If You are planning to transfer ownership of the Generation Unit(s) You must contact Us to request a Transfer of Ownership agreement form. When this form has been completed to our satisfaction We will update the Central FIT Register and write to You and the new Generation Unit(s) owner to confirm that this change has taken place. You must notify us at least one month prior to Your planned change of ownership and provide the relevant meter readings on the date of the change of ownership.

If You wish to nominate an alternative payee to receive the Payments You should contact Us to request an Assignment of Rights agreement form You will remain responsible for providing meter readings as set out in clause 5 and clause 7 in order for the nominated payee to receive regular FIT payments.

15) Changes to Your Generation Unit(s)

You must notify Us if You make any changes whatsoever to your existing Generation Unit(s) as this may affect Your Generation Tariff and/or Fixed Export Tariff Payment. If You fail to notify Us of any change (which is later discovered), the Authority will take appropriate action. In this event We reserve the right to withhold, adjust and/or recoup payments accordingly.

If the change to Your Generation Unit affects Your Generation Tariff rate then the change will take effect from the date on which the change occurred. We will update the Central FIT Register and a new FITS Schedule will be sent to You.

16) Changes to this Statement of Terms

We may make changes to this Statement of Terms by giving You written notice as soon as practicable.

17) Ending this Agreement

You may terminate this Agreement with Us at anytime. If the Agreement is terminated because You want to receive FIT payments from another supplier, this Agreement will be terminated from the date that the Central FIT Register is updated and the Authority informs Us that the changes have been made.

We may terminate this Agreement if You are in breach of any specified terms in this Agreement and We are advised by the Authority that as such they have removed You from the FIT Scheme.

We may terminate this Agreement if the Government withdraws or materially changes the FIT Scheme.

18) Self-Billing

Where You are registered for VAT, You authorise Us and We agree to produce self-billed invoices in respect of Fixed Export Tariff Payments. This means that You will not also issue VAT or other invoices in respect of payments due under the FIT Scheme. We and You agree to notify each other if either of us ceases to be VAT registered, changes their VAT registration number or transfers their business as a going concern in whole or in part. We agree to enter into a new self-billing agreement if our VAT registration number changes. We further agree to notify You if the issue of self-billed invoices will be outsourced to a third party.

19) Miscellaneous

This Statement of Terms is governed by the laws of England and Wales for services provided in England and Wales and by the laws of Scotland for services provided in Scotland. Nothing in it affects Your statutory rights. We reserve the right to reduce, withhold or recoup FIT payments if it has been identified that You, We or the Authority have made an error in relation to the FIT Scheme or if the Authority has identified an abuse of the scheme.

If You have any issues relating to the FIT Scheme, please contact Us straight away and We will work with you to resolve them. If We are unable to resolve your issue, you can use our formal complaints procedure to take things further. The complaints process consists of a series of internal steps, with the option of an independent Ombudsman service if We can't reach an agreement. Please visit our website for details on the resolutions process.

This Agreement is completely separate from any supply agreement which You may hold with Us. Any charges for an electricity supply are separate from this Agreement.

20) Data Protection

We and the Authority will use information We have about You, Your Generation Units and any nominated payee to administer Your participation in the FIT Scheme, this includes reporting and auditing.

We will use the information We have about You and Your Generation Unit(s) for purposes such as market research, billing and providing up to date information on energy efficiency and calls may be monitored or recorded for training purposes.

21) Meter Readings

If you receive FIT payments from Spark, We recommend that You ensure to maintain your own up-to-date records in relation to the amount of electricity your system generates and the FIT payments you receive on a quarterly basis.

It is the responsibility of the Generator (You) to alert Us of any discrepancies that may arise with the payment receivable on a quarterly basis, or when transferring to/from another FIT licensee.

As of 1st October 2013, DECC requires all new and existing FIT generators to:

- maintain records of their generation and (where applicable) export meter readings
- maintain records of all FIT payments received
- maintain the above records for a period of one year, commencing with the date on which a meter reading is taken by or supplied to a FIT licensee, or the date on which a FIT payment is received by a FIT generator.