# CREATING IMPACT

# Feed-In Tariff Laws

# Making clean energy a reality for all

An accelerated switch to renewable energy is essential if the world is to avoid climate chaos. And Feed-In Tariff policy is essential to that effort; the single most effective way to speed up the switch to renewable energy.

A combination of critical research, public awareness raising, advocacy and direct assistance to policy makers, are the hallmarks of the World Future Council Feed-In Tariff project. Bringing together key stakeholders and building momentum for change is where the World Future Council excels. The evidence of success is clear. Rapid adoption of Feed-In Tariff laws around the world is making clean energy a reality for all.

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# The Challenge

Climate change is a reality but we have the chance to avoid its most catastrophic effects if renewable energy replaces carbon energy quickly. For generations the West has burnt fossil fuels causing huge damage to our planet and our common future. And newly industrializing nations are starting down the same damaging path. The economic and political opportunities of a fast switch to renewables are immense. Enabling poor nations to develop their economies requires a worldwide effort to give everyone access to affordable clean energy.

## The Solution

A Feed-In Tariff (FIT) policy is today regarded as essential to speed the transition to clean energy. Feed-In Tariff laws result in rapid development of renewable energy, technology spread and efficiency gains, cost reduction and stable and consistent supplies to remote regions. Evidence from the fifty countries, states and provinces that have already adopted Feed-In Tariff policies reveals that the switch from carbon energy to renewable energy has been accelerated as a direct consequence of this policy.

Evidence is mounting that Feed-In Tariff policies also lead to greater diversity of energy suppliers and stimulation of local economies through job creation. Simple and effective, they work by placing a legal obligation on utility companies to buy electricity from renewable energy producers at a premium rate, usually over a guaranteed period, thus making the set-up of renewable energy systems such as wind farms or solar stations a secure and stable investment.

# The Project

Since 2006 the World Future Council has developed a reputation as lead advocate on Feed-In Tariff policies to policy makers around the world, providing practical expertise in policy development, promotion and implementation. The World Future Council has built trusted relationships with government ministers, policy makers, energy producers, trade unions, environmental groups, think tanks and journalists in all parts of the world providing them crucial information and support during their policy making process and helping establish effective Feed-In Tariff laws.



The World Future Council (WFC) brings the interests of future generations to the centre of policy making. Its 50 eminent members from around the globe have already successfully promoted change. The Council addresses challenges to our common future and provides decision-makers with effective policy solutions. In-depth research underpins advocacy work for international agreements, regional policy frameworks and national lawmaking and thus produces practical and tangible results.



#### Phase 1: Academic Research

In April 2007, the World Future Council published 'Feed-In Tariffs: Accelerating the Deployment of Renewable Energy', a book that provides the A–Z of Feed-In Tariff policy. Based on worldwide in-depth research undertaken by the World Future Council Research Department and compiled by Miguel Mendonça the book has been welcomed by policymakers and experts alike. Its publication helped establish the World Future Council as a leading authority on Feed-In Tariff policy and serves as a guide to the facts as well as the practical experiences of policy implementation.

#### Phase 2: Public Awareness

The importance for people as well as policymakers to understand renewable energy policy is essential. That is why the World Future Council began strong media activities to communicate the benefits of Feed-In Tariffs already in early 2007.

#### Print media

The World Future Council has offered press releases, opinion pieces, newsletters and exclusive interviews. Articles supporting the position of the World Future Council on Feed-In Tariff policy have appeared on numerous occasions in the international print media, specialist media and online. The media programme continues through 2009. Contributions to books, journals and magazines will reinforce the momentum for rapid adoption of Feed-In Tariff policy.

#### **Documentary**

Working in partnership with BBC World, the World Future Council produced the documentary 'Pay-Back Time' which was broadcast to 150 million households in May 2007. Co-funded by the World Future Council as part of the Television Trust for the Environment's Earth Report, the film set out the benefits of renewable energy and Feed-In Tariff Policy.

#### **Brochure**

In May 2007, the brochure 'Feed-In Tariffs – Boosting Energy for our Future' was developed for policymakers and stakeholder audiences. Designed as a simple guide, the brochure provides information on the cost, performance and efficiency of Feed-In Tariffs and remains available free of charge in print and electronic versions from the World Future Council website.

#### What is renewable energy?

Renewable energy is produced from natural resources such as sunlight, wind, rain, tides and geothermal heat. The faster the switch to renewable energy, the better the chances to reduce the most negative impacts of climate change.

#### What is a Feed-In Tariff?

A Feed-In Tariff is a mechanism to encourage electricity companies to source renewable energy.

When mandated by law, Feed-In Tariffs guarantee the price and therefore the production of renewable energy. Feed-In Tariffs serve to accelerate the production of renewable energy, reduce CO2 emissions and help solve climate change.



Prof. Girardet (WFC) delivering keynote speech at World Future Energy Summit in Masdar, United Arab Emirates (January 2009)



**World Future** Tariffs as the



In March 2008, the World Future Council organized a strategy workshop for US stakeholders to promote Feed-In Tariff policy in Washington DC

#### International conferences

Participation in international conferences has enabled the World Future Council to remain at the forefront of policy development and implementation building and sharing knowledge, information experience and contacts with stakeholders around the world.

- 2007 & 2008 Solar Power Conferences, California
- 2007 Second World Renewable Energy Assembly, Bonn
- 2008 Washington International Renewable Energy Conference, Washington DC
- 2008 China Power Alternative Energy Summit, Beijing
- 2009 World Future Energy Summit, Masdar

#### Direct mail

Action packs to support adoption of Feed-In Tariff policies have been developed for stakeholders in various regions of the world.

- In the United States information on renewable energy 'Power to the People' was sent to 4,000 parliamentarians, senators, journalists and nongovernmental organizations in November 2007
- In the United Kingdom information was sent to parliamentarians in support of a Feed-In Tariff policy as part of UK energy legislation in 2008

#### Phase 3: Political Advocacy

Political advocacy has become the main focus of the World Future Council Feed-In Tariff project. With world class expertise and talented advocates, the World Future Council has enjoyed considerable success in encouraging adoption of Feed-In Tariff legislation. And expertise gained from practical policy experience is brought to bear in new situations in new regions, building momentum for change among policy makers and stakeholders on an international level and making adoption of effective Feed-In Tariff laws simpler and quicker.

#### Parliamentary hearings

The World Future Council cooperates with e-Parliament, a global network of parliamentarians from more than 120 countries, together inviting parliamentarians to expert-led workshops on climate and energy issues. Several parliamentary hearings on effective implementation strategies, such as Feed-In Tariffs, were co-funded, organised and attended by the World Future Council.



- Parliamentary hearings in connection with the UN Climate Conference in Kenya, 2006
- Parliamentary hearings during and following the UN Climate Conference in Bali, 2007
- Parliamentary hearings in Taiwan, South Africa, Trinidad and Tobago and Poland in the period March to December 2008

The Kenya hearing resulted in a private members bill for a Feed-In Tariff being introduced in the Kenyan Parliament in 2008.

#### Strategy workshops

In March and October 2008 in Washington DC and San Diego, California, the World Future Council organized strategy workshops for stakeholders to promote Feed-In Tariff policy in the US. The workshops allowed for the public to participate in the policy debate on climate change and to debate the expansion of Feed-In Tariff laws throughout the US.

A toolkit to help others organise similar workshops has been developed by the World Future Council and is available to download free of charge.

#### Coalition building

Building alliances is vital to promote Feed-In Tariff policy and to encourage the rapid adoption of Feed-In Tariff laws.

- In the US, the Alliance for Renewable Energy co-founded by the World Future Council in 2008 played a key role in building momentum with policymakers.
   This coalition unites policymakers, renewable energy experts, citizens and research institutes in support of Feed-In Tariff policies.
- In the UK, the World Future Council took the initiative to establish a coalition of interest groups which successfully pushed for the adoption of a national Feed-In Tariff law. The Guardian newspaper referred to the World Future Council as "the organisation that is leading the campaign for a Feed-In Tariff in the UK." ('Political climate is changing faster than our prime minister', 3rd September 2007.)

#### Bank of experts

The World Future Council has become the international focal point for expertise on Feed-In Tariff policy through its list server, which is an important vehicle for sharing relationships, experience and knowledge across borders. The worldwide "Travelling to Germany was like being transported 20 years into the future. The Germany trip showed how we can create a solar future now."

Jim White, Senior Energy Services Engineer, Chelan County Public Utility District (USA)



During the solar energy fact finding mission the group visited a 1.8 MW rooftop solar installation in the South of Germany



Practical support to policymakers to help develop the first draft of renewable energy legislation is available online at

www.onlinepact.org

"I am working with a group of advocates in Minnesota on a Renewable Energy Payment (FIT) bill. Your materials and [PACT] site are very helpful."

State Representative David Bly, Democratic Farmer Labor Party, Minnesota (USA) network of Feed-In Tariff experts is made available to policy makers and stake-holders around the world on request.

#### Fact finding missions

Through its fact-finding missions to key countries, the World Future Council brings together energy utility executives, managers and suppliers to learn about specific experiences valuable for other regions.

 A solar energy fact finding mission to Germany, in June 2008, to draw lessons from the experience of integrating significant amounts of solar energy into the national electricity grid as a result of the Feed-In Tariff law, included key participants from the US renewables industry.

#### Phase 4: Political Empowerment

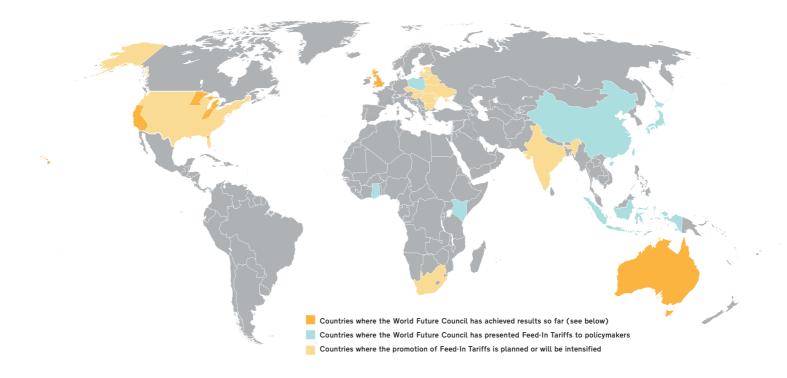
The World Future Council is now building upon the progress made to date of academic research, awareness raising and political advocacy to empower politicians supportive of Feed-In Tariff policy to adopt national and regional laws quickly and effectively.

#### **PACT** website

Practical support to policymakers to help develop the first draft of renewable energy legislation is available online at www.onlinepact.org. Created by the World Future Council in 2007 the Policy Action on Climate Toolkit (PACT) online gives parliamentarians, civil servants and other policy stakeholders access to the necessary legal and technical expertise. Among other information, PACT presents examples of existing Feed-In Tariff laws, sample legal texts, tools for advocacy and tips for implementation. The country pages contain country specific analysis and contact lists to support sharing of information and expertise as well as coalition building.

#### Implementation study

In the UK, the World Future Council supported the policy development process through an implementation study 'Making the UK Renewables Programme FITTER' which was submitted to the UK government consultation in August 2007. The document discusses how a Feed-In Tariff law can be introduced in the UK, lays out the steps needed to design and implement such a law and examines compatibility of the Feed-In Tariff with existing UK law.



### Results so far

#### **Australia**

During the Third International Solar Cities Congress in Adelaide Australia, in February 2008, Mike Rann, Premier of South Australia, emphasized the crucial role of the World Future Council Co-Founder Herbert Girardet in the adoption of the new South Australia Feed-In Tariff law. The World Future Council has been referenced several times in the new Australian Renewable Energy (Electricity) Amendment (Feed-In Tariff) Bill 2008.

#### Gainesville (Florida)

As of March 2009, the people of Gainesville, Florida, are the customers of the first utility in the US to benefit from a Feed-In Tariff law to promote renewable energy. On February 5, the Gainesville City Commission gave unanimous approval to adopt a solar photovoltaic Feed-In Tariff – the first of its kind in the nation. Ed Regan, Assistant General Manager at Gainesville Regional Utilities strategic planning unit, had taken part in the World Future Council fact finding mission to Germany in June 2008. If the Gainesville model works, there is a high chance that other US cities and states will follow in adopting this policy. In Florida a statewide Feed-In Tariff law is now under consideration.

#### Hawaii, California, Michigan, Indiana and Minnesota

In October 2008, the World Future Council ran a Feed-In Tariff workshop in San Diego, California which resulted in the California Energy Commission recommendation for a Feed-In Tariff policy for 1-20 megawatt energy systems. In November 2008, the State of Hawaii recommended adoption of a Feed-In Tariff law, based on a White Paper written with the support of the World Future Council. With information and support from the World Future Council, Feed-In Tariff Bills have been introduced in Michigan, Minnesota and Indiana. Other US States are now also showing interest in Feed-In Tariff laws.

#### UK

The World Future Council work in the UK including the commissioning of an expert report on the potential benefits of a Feed-In Tariff law for small scale renewable energy producers and the building of a large coalition of stakeholders has been influential in the adoption of Feed-In Tariff policy in the November 2008 Energy Bill.



# **Next steps**

The World Future Council Feed-In Tariff project targeted an initial group of influential countries for adoption of Feed-In Tariff legislation, including the US and the UK. Selection was based on sound governance, grid connection, market capacity, the availability of domestic renewable energy providers and their potential to serve as a model for other countries. The project will now start to intensify efforts in India and in the US at both state and federal levels, and build upon work in Eastern Europe and South Africa.

Drawing on our global experiences with Feed-In Tariffs, the World Future Council will soon co-produce a definitive handbook on this legislation for policymakers, non-governmental organisations, investors and scholars.

The World Future Council sees the global economic crisis as an opportunity to speed up the switch to renewable energy through the adoption of Feed-In Tariff laws worldwide.

#### Read more

For further information on Feed-In Tariff legislation please order the World Future Council book "Feed-in Tariffs: Accelerating the deployment of renewable energy" on www.earthscan.co.uk or visit our website www.onlinepact.org.

More information about the World Future Council is available on www.worldfuturecouncil.org.

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This World Future Council publication aims to share the organisation's successes with our partners in policymaking, funding and the media. To carry on our work creating better policies for a better world the World Future Council needs your support. We are grateful for all donations. Please send your donation to

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