## ON HIGHROAD TO PROGRESS

ENGINES OF GROWTH

SILVER JUBILEE SPECIAL ENERGY AND INFRASTRUCTURE

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## Feed-in-Tarrif (FITs)

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growth area since half a million pumps targeted to be brought under solar PV generation. Another growth area in solar will be small and medium solar parks, solar street lighting and introducing rooftops solar PV in cities in-grid system that will help the entrepreneur to relief themselves from load shedding and help in adding and reduce dependency respectively on national grid in some scales. Moreover, it will help to add good amount of electricity supply on grid through FITs if policy allows that. Solar parks might be successful even with a permanent 25-year contract. In reality, there is a huge need to accommodate them since lots of small and medium solvent home owners, real state owner smay come up. Hence proper compensation packages for development of rooftop solar PV in cities need to develop in line with FITs, Irrigation (solar pumping) project and small scale government and private solar power parks 1 to 5 MW with 25 years contractual agreement will help in reaching 10% of targeted renewable in Bangladesh. Similarly, medium scale solar parks might be also useful for the growth of renewable. The next paragraph will explain the basic mechanisms of FITs.

Installing an electricity-generating technology from a renewable or low-carbon source such as solar PV or wind turbine, Government's Feed-in Tariffs scheme (FITs) in countries (adopted FITs) could mean that you get money from your energy supplier. You can be paid for the electricity you generate, even if you use it yourself, and for any surplus electricity you export to the grid. And of course you will also save money on your electricity bill, because you will be using your own electricity. In Europe, for example, in the UK the energy market is open and retail being managed by couple of private companies while the infrastructure and legal controls maintained by government. The UK Government's Department for Energy and Climate Change (DECC) makes the key decisions on FITs in terms of government policy. The energy regulator Ofgem administers the scheme. Feed-in Tariff grants as the main financial incentive to

encourage uptake of renewable electricitygenerating technologies. Most domestic technologies qualify for the scheme, including: solar electricity (PV) (roof mounted or standalone), wind turbines (building mounted or free standing,) hydroelectricity, digester, micro combined heat and power (CHP). In many countries of Europe and Asia solar rooftops has been the potential growth area followed by solar parks. Bangladesh through it's rural rooftops systems has been a proof of that but the potential growth area in rooftops of cities are yet to be initiated by proper FITs. In Bangladesh energy supplier (basically Government Departments) will make the FITs payments to you once it is approved. Eligibility to receive FITs benefit in three ways are given for highly potential rooftops in cities.

Generation tariff

Your energy supplier will pay you a set rate for each unit (or kWh) of electricity you generate. Once your system has been registered, the tariff levels are guaranteed for the period of the tariff (up to 20 years or 25 years) and are indexlinked.

## Export tariff

Your energy supplier will pay you a further rate for each unit you export back to the electricity grid, so you can sell any electricity you generate but don't use yourself. At some stage smart meters will be installed to measure what you export, but until then it is estimated as being 50 percent of the electricity you generate (only systems above 30 KWP need to have an export meter fitted, and a domestic system is unlikely to be that big).

## Energy bill savings

You will be making savings on your electricity bills because generating electricity to power your appliances means you don't have to buy as much electricity from your energy supplier. The amount you save will vary depending how much of the electricity you use on site.

Once you are receiving FITs payments, the rate you get will increase in line with inflation in accordance with the Retail Price Index (RPI). However, there are similarities and

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