

Smart Export Guarantee (SEG)

December 2019

Guidance for SEG Licensees

Overview

This document is for electricity suppliers in England, Scotland and Wales that offer export tariffs to eligible small-scale low-carbon electricity installations under the Smart Export Guarantee (SEG).

This is a guidance document only and is not a definitive technical or legal guide to the SEG. It is the Licensed Electricity Supplier's responsibility to ensure that they are aware of the requirements of the SEG Order and legislation (see associated documents).

Context

On 10 June 2019 the Department of Business, Energy & Industrial Strategy (BEIS) laid legislation – the Smart Export Guarantee Order 2019 - and amended the electricity Supply Licence Conditions (SLCs) to introduce the Smart Export Guarantee (SEG). This policy comes into force on 1 January 2020 and will ensure that any eligible small-scale low-carbon generators will have access to a tariff for their exported electricity.

Solar photovoltaic (PV), wind, hydro and anaerobic digestion (AD) installations up to 5MW and micro-combined heat and power (micro-CHP) up to 50kW will be able to receive an export tariff under the policy, providing they are eligible.

The SEG is a market-led initiative, requiring electricity supply licensees to offer export tariffs to eligible generators. Suppliers are free to set their own SEG compliant tariff¹ price (provided it is above zero pence at all times) and decide how their tariffs work.

¹ 'SEG compliant tariff' is not defined in the SEG Order or SLC, however, we use this phrase to mean the tariff offered to a SEG Generator in accordance with the SEG arrangements (provided that tariff is above zero pence).

Associated documents

[Guidance for Anaerobic Digestion generators: SEG sustainability criteria and reporting requirements](#)

Policy and Legislation

[Smart Export Guarantee Order 2019](#)

[Smart Export Guarantee License Conditions](#)

[The future for small scale low carbon generation: Smart Export Guarantee – government response](#)

Contents

1. Introduction.....	1
2. Types of SEG licensee and notification	3
3. Obligation to offer a SEG compliant tariff.....	5
4. Assessment of applications for SEG payments.....	8
5. Annual Reporting.....	14
6. Dispute Resolution / Complaints.....	15
Glossary	16

Executive Summary

The Smart Export Guarantee (SEG) makes sure that small-scale low-carbon generators receive payment for any electricity they export to the grid. The scheme requires licensed electricity suppliers to offer export tariffs to anaerobic digestion (AD), hydro, onshore wind, and solar photovoltaic (PV) generators with a total installed capacity (TIC) up to 5MW, and micro-combined heat and power (micro-CHP) with a capacity of 50kW or less.

The obligation came into force on 1 January 2020. It follows on from the Feed-in Tariff (FIT) scheme that closed on 31 March 2019.

This document provides guidance on what Licensed Electricity Suppliers are required to do in order to comply with the SEG legislation.

1. Introduction

Chapter summary

This chapter explains the SEG and the roles of Licensees and Ofgem.

What is the SEG?

- 1.1. The Smart Export Guarantee (SEG) ensures anaerobic digestion (AD), hydro, onshore wind, and solar photovoltaic (PV) generators with a total installed capacity (TIC) up to 5MW, and micro-combined heat and power (micro-CHP) up to 50kW receive payment for exported electricity. It is underpinned by the SEG Order and SEG License Conditions.²
- 1.2. Licensed suppliers with at least 150,000 domestic electricity customers are required to offer at least one SEG compliant tariff to any eligible generators. Other suppliers may participate on a voluntary basis.

SEG Licensees' role

- 1.3. SEG licensees have an active role to play under the SEG and are responsible for:
 - Offering at least one SEG compliant tariff to eligible installations
 - Assessing the eligibility of installations
 - Making SEG payments based on export meter readings
 - Handling any complaints from SEG generators
 - Providing data to Ofgem on tariff offerings, uptake and payments.

Ofgem's role

- 1.4. Ofgem has a small number of administrative functions under the SEG. Ofgem is responsible for:
 - Publication of guidance to SEG generators and SEG licensees on the operation of the SEG and updating these as appropriate
 - Publishing a list of Mandatory and Voluntary SEG licensees from the second SEG year, as set out in 2.10 below
 - Reporting annually on the range and uptake of SEG compliant tariffs offered by licensees

² SEG Order: <http://www.legislation.gov.uk/ukxi/2019/1005/contents/made>
SEG License Conditions: https://epr.ofgem.gov.uk//Content/Documents/Electricity%20Supply%20Standard%20Licence%20Conditions%20Consolidated%20-%20Current%20Version.pdf?utm_source=ofgem&utm_medium=&utm_term=&utm_content=licencecondition&utm_campaign=epr

- For AD installations, to check whether the sustainability criteria and reporting requirements are met, and to notify the generator of whether those criteria were met or not.

Enforcement

- 1.5. Any requirement placed on Licensed Electricity Suppliers under the Electricity Supply Licence Conditions (SLCs) is a “relevant condition” for the purposes of Section 25(8) of the Electricity Act 1989. Ofgem may use its enforcement powers under the Electricity Act 1989, if it has grounds to believe that a supplier may be in breach of a relevant condition. Ofgem will have regard to the Enforcement Guidelines³ when deciding if and how to investigate potential non-compliance with the Supply Licence Conditions (SLCs).

³ <https://www.ofgem.gov.uk/investigations/enforcement-guidelines-and-lessons-learned>

2. Types of SEG licensee and notification

Chapter summary

This chapter provides more information on which licensed electricity suppliers are obliged to offer SEG export tariffs, what a Mandatory and Voluntary SEG Licensee is and how to become one, and discusses the annual notification.

What is a Mandatory and Voluntary SEG Licensee?

- 2.1. A Mandatory SEG licensee is a licensed electricity supplier that supplies at least 150,000 domestic electricity customers as at 31 December of the previous year or, together with its affiliates, had at least 150,000 domestic electricity customers on 31 December of the preceding year. These licensees **must** offer at least one SEG compliant tariff.
- 2.2. Licensed electricity suppliers with fewer than 150,000 domestic customers that choose to offer a SEG tariff are Voluntary SEG licensees. A Voluntary SEG licensee has the same responsibilities as a Mandatory SEG licensee.
- 2.3. When determining whether a licensee is a Voluntary SEG licensee we will have regard to the notification provided by a licensee each year as set out in 2.5 below. However, we will also consider a licensee's published status (see 2.9) in determining whether that licensee is a Voluntary SEG licensee.
- 2.4. All Mandatory SEG Licensees and Voluntary SEG Licensees will be collectively referred to as SEG licensees for the remainder of this guidance.

SEG notification requirement

- 2.5. By 14 February each year, **all** licensed electricity suppliers must notify Ofgem whether they will be a Mandatory SEG Licensee, a Voluntary SEG Licensee or neither in the following SEG Year.
- 2.6. In SEG year 1, while this is not a statutory requirement, we will request that licensed electricity suppliers advise us, by 14 February 2020, whether they are a Mandatory SEG licensee, a Voluntary SEG Licensee or neither for that year.

How to make the notification

- 2.7. We will provide all licensed electricity suppliers with a notification template to be completed and returned to Ofgem by 14 February each year.
- 2.8. The notification must include the number of domestic electricity customers of the licensed electricity supplier on 31 December of the previous year and the number of domestic electricity customers of any affiliates related to the licensed electricity supplier on that date. Under the Electricity Supply Licence Conditions (SLCs), an

“affiliate” is: a) a holding company, b) a subsidiary, or c) a subsidiary undertaking of a holding company, as defined in the Companies Act 2006.

Publicising SEG status

- 2.9. SEG licensees must publish their status as a SEG Licensee where it is easily accessible to the public.⁴
- 2.10. Starting with the notification submitted by 14 February 2021, Ofgem will publish a list of Electricity Supply Licensees who are SEG Licensees from immediately before the start of a SEG Year.⁵ This list will distinguish between Mandatory and Voluntary SEG licensees.
- 2.11. When offering an Export Tariff to generators, a licensee should clearly communicate whether it is offered in accordance with the SEG arrangements.

Changes in SEG status

- 2.12. Mandatory SEG licensees cannot withdraw from the SEG arrangements.
- 2.13. Mandatory SEG licensees whose circumstances change such that they no longer satisfy the definition of a Mandatory SEG licensee will remain a Mandatory SEG Licensee until the following 31 March.⁶
- 2.14. A Voluntary SEG licensee who intends to stop being a Voluntary SEG licensee will remain a Voluntary SEG Licensee until the following 31 March.

⁴ SLCs Part C, Schedule A, A(1)(1.2)

⁵ SEG Order 2019, Art 6

⁶ SLCs Part C, Schedule A, D(8)(8.4)

3. Obligation to offer a SEG compliant tariff

Chapter summary

This chapter sets out the requirements for SEG Licensees to offer an export tariff.

Export Tariff

- 3.1. SEG licensees must offer at least one SEG compliant export tariff to any generator with a SEG-eligible installation (see chapter 4). There is no prescribed tariff rate, type or length, but the tariff must offer an above zero pence rate per kilowatt hour (kWh) of export at all times in order to be compliant.
- 3.2. The SEG licensee does not need to be the same company as the import supplier or, where relevant, the Feed-in Tariff (FIT) licensee. The contractual relationship between a SEG licensee and a SEG generator is standalone and has no bearing on any contractual relationship that may exist for imported electricity or FITs.
- 3.3. At a minimum, a SEG licensee must offer one SEG tariff that is available to all SEG-eligible installations, regardless of whether the generator is an import customer or not. A SEG licensee can offer SEG tariffs that are bundled with other products (such as import) but a bundled offer must be in addition to a SEG tariff that is available to all SEG-eligible installations.

Calculating SEG export payments

- 3.4. SEG licensees should calculate SEG payments using actual meter readings.⁷ A SEG licensee is not required to make payments under the SEG until it has received or been provided with access to actual export meter readings, but they can if they wish.
- 3.5. These meter readings can be accessed automatically (ie from a smart meter) or as manual readings provided by the generator. SEG licensees are still obligated to offer a tariff to a generator even if the generator intends to or is only able to submit their meter readings manually, provided the meter is compliant with metering legislation and is capable of measuring export at half-hourly intervals, as set out in paragraph 4.15-4.19 of this guidance.
- 3.6. In the event that a meter is found to be broken or recording in error, or if the meter reads are disputed, it is for the SEG licensee to determine how they wish to handle the situation, including considering whether they wish to accept estimates.

⁷ SLCs Part C, Schedule A, A(3)(3.3)

3.7. SEG licensees are not obligated to make SEG payments in a number of situations:

- for any 'Brown Export' - exported electricity not generated by the eligible installation (including standby generators, batteries, technologies not supported by SEG).
- for any exported electricity from installed additional capacity, where an installation has been extended such that the combined total installed capacity (TIC) exceeds 5MW (or 50kW for micro-combined heat and power (micro-CHP)).
- where an Anaerobic Digestion (AD) installation has not notified the SEG licensee of their AD Reporting Start Date or where the generator is unable to provide confirmation from us that they have met their ongoing reporting obligations.

3.8. In these situations, the SEG licensee can decide whether they wish to purchase all of the electricity exported, none of the electricity exported or whether to require metering arrangements that allow for the deduction of ineligible export.

SEG licensee duties

Information

3.9. When providing information to a SEG generator (whether in writing, by electronic display or orally) in relation to the SEG arrangements, the SEG licensee must take all reasonable steps to ensure it:

- is complete and accurate,
- is capable of being easily understood by the SEG generator,
- does not mislead the SEG generator, and
- is otherwise fair, transparent, appropriate and delivered in a professional manner both in terms of content and in terms of how it is presented (with more important information being given appropriate prominence).

Written confirmation of the export tariff

3.10. A SEG licensee must provide written confirmation of the details of the export tariff to the SEG generator. This confirmation must be provided as soon as reasonably practicable after receiving a request for SEG payments from a SEG generator.

3.11. The written confirmation must include the following:

- a description of the complaints procedure and a stated duty to participate in the complaints procedure on disputes in relation to compliance with obligations under the SEG arrangements,
- a description of the process of switching and a stated duty to participate as required to facilitate the switching of a SEG generator,
- a term setting out the termination rights which permit the SEG generator to withdraw from the SEG arrangements,
- a term identifying the risks to a SEG generator of failure to adhere to any terms of its contract with the SEG licensee, such as the failure to provide the

required data in a timely fashion, and as regards suspension or recoument of SEG payments,

- a term identifying the SEG generator's obligations for providing information, declarations and evidence to the SEG licensee and the Authority (as well as any consents required for the purposes of data protection) as required for the administration of the SEG arrangements,
- a term requiring the SEG generator to inform the SEG licensee as soon as reasonably possible in the event that there is a change in ownership of the eligible installation or a change in the person entitled to seek payment in respect of the eligible installation, and
- a term requiring the SEG generator to inform the SEG licensee as soon as reasonably possible of extensions to an eligible installation,
- a duty to fulfil obligations under the SEG arrangements efficiently and expeditiously.

Discrimination

- 3.12. When making SEG payments to a SEG generator, the SEG licensee shall ensure that it does not materially discriminate without objective justification between SEG generators.

Change in SEG licensee status

- 3.13. The SEG licensee must notify their SEG generators within 6 weeks of it ceasing to be either a Mandatory or a Voluntary SEG licensee.

Insolvency of a SEG licensee

- 3.14. In the event that a Mandatory or Voluntary SEG licensee becoming insolvent the SEG licensee must notify their SEG generators as soon as reasonably possible.
- 3.15. Should a SEG licensee be the subject of an insolvency event, it is likely that SEG export payments offered under the terms of the insolvent SEG licensee will stop. The SEG generator will be responsible for seeking a new SEG export tariff from another SEG licensee. Any electricity exported between the point the contract from the insolvent SEG licensee comes to an end and a new SEG contract is agreed with a new SEG licensee will not be the responsibility of the new SEG licensee. SEG generators are advised to act promptly to avoid an extended period where payment for export is not covered by a SEG contract.
- 3.16. Ofgem do not have the power to order a new SEG licensee to make payment for exported electricity that would have otherwise been met by the insolvent SEG licensee.

4. Assessment of applications for SEG payments

Chapter summary

This chapter sets out the requirements for SEG licensees to assess the eligibility of installations to receive SEG payments.

Requirements for generators

- 4.1. A SEG licensee is only required to accept a request for SEG payments if the installation meets the eligibility requirements detailed in this chapter.
- 4.2. SEG licensees should ensure that internal processes are set up to assess each installation applying for SEG payments.
- 4.3. A SEG generator can only receive a SEG export tariff from one SEG licensee at a time.

Technology types and capacity

- 4.4. The installation must generate electricity wholly or mainly from one of the following energy sources:
 - solar photovoltaic (PV)
 - hydro⁸
 - micro-combined heat and power (micro-CHP)
 - wind
 - anaerobic digestion (AD)
- 4.5. The total installed capacity (TIC) of the installation must not exceed 5MW, and micro-CHP installations must not exceed 50kW.

Suitable certification

PV, wind and micro-CHP 50kW or less

- 4.6. For PV, wind and micro-CHP installations up to 50kW, generators should demonstrate that the installation and installer are suitably certified. An applicant may have an installation certificate to demonstrate this. This may be a Microgeneration Certification Scheme (MCS) certificate, but the SEG recognises other schemes may be equivalent to MCS.

⁸ Hydro generation station means an installation driven by water, except for such an installation (a) driven by waves, ocean currents or geothermal sources; (b) driven by tidal flows, unless also driven partly by non-tidal flows from a water course; or (c) where the hydrostatic head of the water has been increased by pumping.

- 4.7. The SLCs define an equivalent scheme as a scheme accredited in accordance with EN 45011 or EN ISO/IEC 17065:2012.
- 4.8. If a generator is unable to demonstrate that their installation is suitably certified, a SEG licensee is not obliged to offer payments under the SEG, but they can make payments if they wish.

All other installations

- 4.9. For all other installations, generators should demonstrate to the SEG licensee's satisfaction that the installation is suitably certified. Suppliers have discretion in how they satisfy themselves that the installation is suitably certified.
- 4.10. In practice, this information could be provided in various forms. One approach may be in the form of a 'tick box' self-declaration by the applicant as part of the application process to confirm that their equipment is suitably certified. Alternatively, it could be a request for the certification scheme name and certification numbers which SEG licensees can cross-check with the relevant scheme.
- 4.11. The examples given in 4.10 are only two examples of how a supplier might choose to satisfy themselves of suitable certification. It is up to the individual SEG licensee to decide whether they are satisfied that the installation is eligible for SEG payments.
- 4.12. Some technologies, or sizes of installations, may not be covered by any certification schemes. In these cases, suppliers may decide to request a declaration and/or evidence from generators that suitable standards have been met.
- 4.13. If a generator is unable demonstrate that their installation is suitably certified, a SEG licensee is not obliged to offer payments under the SEG, but they can make payments if they wish.
- 4.14. The table below summarises the circumstances in which generators need to be able to demonstrate suitable certification:

Technology	Capacity	Installation certification?	Installer certification?
Micro-CHP, solar PV, wind	≤50kW	Yes	Yes
Micro-CHP, solar PV, wind	>50kW-5MW	Yes	No
AD, hydro	≤5MW	Yes	No

Metering

- 4.15. The meter used to measure the export must be compliant with the metering legislation,⁹ and be capable of measuring export at half-hourly intervals; we expect that this will be a smart meter in most cases. The meter must have an associated export MPAN and be registered under the Balancing and Settlement Code, regardless of capacity.
- 4.16. It is the responsibility of SEG licensees to ensure that the generator is set up with an Export MPAN that associates with their meter.
- 4.17. SEG licensees are not required to accept a request for SEG payments until the Export Meter readings required to calculate the SEG payments have been provided to the SEG licensee.¹⁰
- 4.18. There is no requirement regarding the frequency with which SEG licensees are required to be provided with Export Meter readings by a SEG generator.
- 4.19. We understand that licensees are not always able to access automated meter readings (for example SMETs 1 meters or broken meters). SEG licensees can accept manual readings. SEG licensees can also consider accepting estimated meter reads; SEG licensees are not obligated to make SEG payments where actual meter readings are not provided or available, but they can if they wish.

Other government support schemes

- 4.20. Generators must not be in receipt of an export tariff under the Feed-in Tariff (FIT) scheme if they intend to claim SEG payments, regardless of whether FIT export payments are made based on metered export or deemed export. We anticipate that SEG licensees will use a number of different approaches to check whether an installation is in receipt of FIT export payments when they assess a SEG application.
- 4.21. One way that licensees can check this is by logging into the Central FIT Register (CFR) and using the SEG search function. This search will enable SEG licensees to search for import and export MPANs on the CFR to show whether an installation(s) associated with a specific MPAN is recorded as receiving FIT export payments. Licensees should be aware that this search does not contain all MPANs that may be in receipt of FIT export payments, for example because an MPAN may have been incorrectly entered. SEG licensees should seek other forms of assurance from the generator that the installation is not in receipt of an export tariff under the FIT, such as a declaration.
- 4.22. FIT generators can also change their decision to opt in or opt out of claiming FIT export payments up to once every 12 months. SEG licensees will need to be assured that a SEG generator is not in receipt of an export tariff under the FIT at any point. For example, SEG licensees may wish to include a term in their SEG contract with a SEG generator that the SEG generator will notify the SEG licensee of any change to

⁹ SLCs Part C, Schedule A, A.2(2.1.3); also in definitions

¹⁰ SLCs Part C, Schedule A, A.3(3.1)

their FIT export status.

- 4.23. Collecting SEG and FIT export payments at the same time, knowingly, could constitute fraud.
- 4.24. We encourage SEG licensees to update their existing FIT fraud prevention strategies to ensure generators are not claiming FIT export payments and SEG payments at the same time.
- 4.25. Aside from FITs export payments, SEG payments can be made alongside other government support arrangements, including grants.

Brown vs green export

- 4.26. Green Export is electricity generated by an eligible installation solely from one of the eligible low carbon energy sources.
- 4.27. A SEG licensee is only obliged to make SEG Payments for renewable electricity that is exported ("Green Export") by an eligible installation.
- 4.28. Where the export meter for an eligible installation also records, but cannot determine the amount of, electricity exported from another source ("Brown Export"), a SEG licensee is not obliged to make SEG payments but they can if they wish. Examples of "brown export" may include export from a non-SEG eligible installation, from co-located storage that is charged from a source in addition to or other than the SEG eligible technology or from a standby generator.
- 4.29. A SEG licensee can choose to make a SEG payment for all export recognising that it includes a combination of green and brown export. Alternatively, they may require a generator to install suitable metering to calculate the brown export and deduct that from the overall exported electricity. Or they may pro-rate output or use estimates to calculate the green export.

Changes to installations

- 4.30. SEG generators can install additional capacity to a SEG eligible installation. However, if they install additional capacity which takes them over the 5MW (or 50kW for micro-CHP) threshold for eligibility for SEG compliant tariffs, suppliers are not obligated to make payments on the additional capacity (although they are not prevented from doing so).
- 4.31. Where a SEG generator adds capacity to an existing SEG installation that uses a different source of eligible low-carbon energy, this should be treated as a separate eligible installation.¹¹ Where different sources of eligible low-carbon energy export using the same MPAN, the generator can receive SEG payments from one licensee only. This is because the export MPAN can be registered under the Balancing and Settlement Code and administered by one licensee only.

¹¹ SLCs Part C, Schedule A, C(7)(7.1)

Sustainability requirements

When does the SEG obligation start for AD installations?

- 4.32. A SEG licensee is obligated to make SEG payments to an AD SEG generator from the 'AD Reporting Start Date'.¹²
- 4.33. The 'AD Reporting Start Date' is provided by Ofgem to the AD SEG generator. In order to receive their 'AD Reporting Start Date', the AD SEG generator must complete and submit a declaration¹³ to Ofgem confirming their intent to seek SEG payments and to comply with ongoing SEG sustainability and reporting requirements.
- 4.34. Once Ofgem have received and reviewed this declaration, we will provide the AD SEG generator with an email that acknowledges their intent to meet the sustainability and reporting requirements and confirms the 'AD Reporting Start Date'. The AD SEG generator should provide a copy of this email to their SEG licensee.
- 4.35. SEG licensees are not obligated to make SEG payments for any electricity exported before the 'AD Reporting Start Date'.

Ongoing obligations

- 4.36. AD SEG generators also have ongoing responsibilities to provide quarterly sustainability declarations and annual declarations to Ofgem. Additionally, where installations have a TIC that is greater than or equal to 1MW, generators should also submit an annual sustainability audit report.
- 4.37. Ofgem will review the declarations and, where necessary, audit report, and confirm an installation's compliance with the requirements. A SEG licensee can request this confirmation from the SEG generator to confirm ongoing eligibility for SEG payments.
- 4.38. Where an installation does not meet the sustainability or feedstock requirements for a period or has not submitted the relevant declaration or audit report to Ofgem, a SEG licensee is not obliged to make SEG payments but they can if they wish.
- 4.39. More information about the ongoing sustainability requirements is available in our 'Guidance for Anaerobic Digestion generators: SEG sustainability criteria and reporting requirements'.¹⁴

Switching

¹² The AD Reporting Start Date, as defined in Schedule A to standard condition 57 of the electricity supply licence, means 'the date on which the Authority formally acknowledges the SEG Generator's intent to request SEG Payments and confirmation that it intends to comply with the criteria set down in the Schedule to the SEG Order'.

¹³ <https://www.ofgem.gov.uk/publications-and-updates/smart-export-guarantee-anaerobic-digestion-declarations>

¹⁴ <https://www.ofgem.gov.uk/environmental-programmes/smart-export-guarantee-seg/seg-anaerobic-digestion-sustainability-criteria-and-reporting-requirements>

- 4.40. Licensees must include with their written confirmation of the SEG export tariff a description of their switching process, and a stated duty that they will participate as required to facilitate the installation's switch to another SEG licensee.
- 4.41. Where a SEG generator has an AD installation and has switched from a previous SEG licensee, their AD Reporting Start Date and reporting periods will carry on to the new licensee. The SEG generator's AD Reporting Start Date can be evidenced from a confirmation email sent from us to the generator. Licensees should be able to calculate the correct periods for submission of declarations and audit reports based on the AD Reporting Start Date. More information can be found in our 'Guidance for Anaerobic Digestion generators: SEG sustainability criteria and reporting requirements'.¹⁵

¹⁵ <https://www.ofgem.gov.uk/environmental-programmes/smart-export-quarantee-seg/seg-anaerobic-digestion-sustainability-criteria-and-reporting-requirements>

5. Annual Reporting

Chapter summary

This chapter sets out what data must be provided to Ofgem, when, and in what format.

Annual reporting requirements for licensees

- 5.1. Article 7 of the SEG Order requires Ofgem to publish a report at least once a year. That report must contain:
 - The export tariffs that have been offered by SEG licensees
 - The number of eligible installations in receipt of SEG payments
 - How much export¹⁶ has been the subject of SEG payments
 - The total amount of SEG payments that have been made
 - The breakdown of SEG payments by:
 - Capacity
 - The energy source generating the electricity

How to provide annual data

- 5.2. Ofgem will request the data required to collate this report from SEG Licensees.
- 5.3. SEG Licensees must use the notification template provided by Ofgem to collate their data and submit this by 30 June after the end of the relevant SEG year.

Publication of an annual report

- 5.4. Ofgem will publish a report at least once in each calendar year, beginning with 2021, containing the information listed in paragraph 5.1.

¹⁶ Article 7 refers to generation and not export. We consider that the intent of the drafting of the Order was to refer to export, given SEG payments are made for export and not generation. We consider it to be appropriate to request export data only.

6. Dispute Resolution / Complaints

Chapter summary

This chapter sets out the process for dispute resolution and complaints.

- 6.1. SEG licensees are expected to have a process in place to deal with complaints relating to the SEG.
- 6.2. Ofgem's role does not extend to handling SEG related complaints from individual participants. Instead, these should be directed towards the SEG licensee in the first instance. If, after eight weeks, a satisfactory solution has not been agreed between both parties, the complaint may be referred to the Energy Ombudsman.
- 6.3. Once the Energy Ombudsman has received a complaint, it will consider whether the SEG licensee has been given sufficient time to deal with the complaint and also assess whether the complaint falls within the remit of the Ombudsman. If the Ombudsman takes on the case, it will investigate and make recommendations to rectify a situation. The SEG licensee then has up to 28 days to action any recommendations by the Energy Ombudsman.

Glossary

Affiliate means, in relation to an Electricity Supplier, any holding company or subsidiary or subsidiary undertaking of a holding company of the licensee, in each case within the meaning of the Companies Act 2006.

Brown export means electricity generated by an eligible installation not from a low carbon energy source.

Export Tariff means any tariff offered by any licensee for electricity exported to the grid.

FIT means the Feed-In-Tariff, the scheme designed to promote the uptake of small-scale renewable and low-carbon electricity generation technologies that closed to new applicants on 1 April 2019.

Green export means electricity generated by an eligible installation solely from one of the low carbon energy sources.

Hydro generation station means an installation driven by water, except for such an installation (a) driven by waves, ocean currents or geothermal sources; (b) driven by tidal flows, unless also driven partly by non-tidal flows from a water course; or (c) where the hydrostatic head of the water has been increased by pumping.

Mandatory SEG Licensee means a person who is a holder of a licence under section 6(1)(d) of the Electricity Act 1989 which, as at 31 December before the start of each SEG Year, either: (a) supplies electricity to at least 150,000 domestic customers; or (b) together with its affiliates jointly supplies electricity to at least 150,000 domestic customers.

MCS means Microgeneration Certification Scheme.

Plant means any equipment, apparatus or appliance.

SEG means Smart Export Guarantee.

SEG arrangements means the arrangements for delivering the Smart Export Guarantee introduced in accordance with sections 41 to 43 EA08, as set out in Standard Condition 57 of the Electricity Supply Licence (including this Schedule A) and the SEG Order.

SEG generator means a person (a) entitled to seek payment in respect of an Eligible Installation from a SEG licensee, and (b) who has accepted the SEG licensee's offer of a tariff offered in accordance with the SEG arrangements.

SEG licensee means the collective term for Mandatory SEG licensees and Voluntary SEG licensees.

SEG Order means the Smart Export Guarantee Order 2019 (including any amendments to that Order).

SEG payments means the payments made to an installation that a SEG licensee has confirmed is eligible for payments under a SEG Export Tariff.

SEG compliant tariff/SEG tariff means the tariff, consisting of SEG payments, offered to a SEG generator in accordance with the SEG arrangements. The tariff must offer an above zero pence rate per kilowatt hour at all times in order to be compliant.

SEG year means a period of twelve months commencing on 1 April and concluding on 31 March starting from 1st April 2021, and in the first year following 1st January 2020 ("the first SEG Year"), the SEG year commences on 1 January 2020 and extends until 31 March 2021.

SLCs means Electricity Supply Licence Conditions and refers specifically to Schedule A to Standard Condition 57 of the Electricity Supply Licence.

Small-scale Low-carbon Generation means the generation of electricity, by any Plant: (a) which, in generating electricity, relies wholly or mainly on an Eligible Low-carbon Energy Source; and (b) the Total Installed Capacity of which does not exceed 5MW.

Voluntary SEG licensee means a person who is a holder of a licence under section 6(1)(d) of the Electricity Act 1989 which is not a Mandatory SEG licensee and which voluntarily elects to participate in making SEG payments under the SEG arrangements.