

Smart Export Guarantee (SEG)



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Smart Export Guarantee (SEG) is the new mechanism for paying small scale installations for the electricity they export to the grid. It replaces the Feed in Tariff (FiT) which closed to new applications on 31st March 2019.

When did Smart Export Guarantee (SEG) start and who's it for?

Since 1st January 2020 generators of renewable energy are able to receive payments through SEG. It is applicable to both domestic and non-domestic generators and covers all sources of renewable power – solar, onshore wind, small CHP, hydro and anaerobic digestion.

An installation must be certified by the Microgeneration Certification Scheme (MCS) and capacity must be under 5 MW except for micro CHP which is restricted to 50 kW.

You can find out more about the MCS scheme here:

<https://www.ofgem.gov.uk/key-term-explained/microgeneration-certification-scheme-mcs>

How is it different to Feed in Tariff (FiT) scheme?

Unlike the FiT scheme, under SEG the rate you receive is not published but is agreed with a supplier. There is no lower limit, the only stipulation is the rate must be above zero. In effect, you enter into a contract with a supplier who agrees to purchase the power you generate.

Another difference is metering; with SEG you must be able to record exported volume and will therefore require SMETS1 or SMETS2 metering.

What if I have an existing FiT agreement?

If you already receive payments under the FiT scheme there is no requirement to switch to SEG. However, you might find it beneficial depending on your current FiT arrangement. You cannot claim under both schemes.

Who is offering Smart Export Guarantee tariffs (SEG tariffs)?

All licenced suppliers with more than 150,000 domestic customers are obliged to offer a SEG tariff, so the options are wide ranging.

Ofgem have a supplier list here:

<https://www.ofgem.gov.uk/publications-and-updates/seg-supplier-list>

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