

Smart Export Guarantee (SEG) Terms and Conditions

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1. How this Agreement works

- 1.1. This Agreement (including Your SEG Plan) is between You and Us. It's important for You to read it carefully so You understand how it works.
- 1.2. If these Terms and Conditions ever contradict Your SEG Plan, these Terms and Conditions will take priority.
- 1.3. This Agreement will start from the date We receive Your signed and dated SEG Plan. We will calculate Your SEG Export Payments from the Tariff Start Date detailed on Your SEG Plan.
- 1.4. Our Key Obligations section explains all the things We will and won't do as Your SEG Licensee.

2. Your involvement in the Smart Export Guarantee (SEG) Scheme

- 2.1. We won't pay You for Your exported electricity until You've satisfied the Eligibility Criteria and accepted the Agreement.

2.2. This Agreement is entirely separate from any other supply contract for gas and electricity You may hold with Us and has no effect on Your rights and obligations under those contracts.

2.3. This Agreement relates solely to the Generation Unit(s) specified in Your SEG Plan.

2.4. Any SEG Export Payment You receive under this Agreement is based on Your SEG Plan.

2.5. You may terminate this Agreement at any time, in line with Clause 5 or You may withdraw from the SEG Scheme.

3. Changes to Terms and Conditions

3.1. If legislation changes, this Agreement and any associated Terms and Conditions may be subject to change. We'll let You know in writing before any significant change. If this isn't possible, We'll let You know as soon as reasonably practicable after the change.

3.2. If You are unhappy with the changes and wish to terminate this Agreement, You can contact Us and switch to another SEG Licensee before the changes take effect.

4. Qualifying for the Smart Export Guarantee Scheme

4.1. Your Generation Unit(s) may qualify for the SEG Tariff if all these things are true:

4.1.1. Technology type

The installation must generate electricity from one of the following energy sources; solar photovoltaic (PV), hydro, micro-combined heat and power (micro CHP), onshore wind or anaerobic digestion (AD).

4.1.2. Total installed capacity

The total installed capacity of the installation must not exceed 5MW and micro CHP installations must not exceed an electrical capacity of 50kW.

4.1.3. Suitable certification

For solar, wind and micro CHP installations up to 50kW, Generators should demonstrate that the Generation Unit(s) and installer are MCS certified or equivalent. If the Generator is unable to do this, We, as SEG Licensee are not obliged to offer payments under the SEG Scheme.

4.1.4. For all other Generation Unit(s), Generators should demonstrate to Us, as the SEG Licensee, that the installation is suitably certified under the scheme accredited in accordance with EN 45011 or EN ISO/IEC 17065:2012.

4.1.5. Some technologies, or sizes of installations, may not be covered by any certification schemes. In these cases, We may decide to request a declaration and/or evidence from Generators that confirm suitable standards have been met.

4.1.6. Technical Metering Requirements

- 4.1.6.1. The meter used to measure the exported electricity must be an Approved Export Meter(s).
- 4.1.6.2. The Approved Export Meter(s) must be capable of measuring export at half-hourly intervals.
- 4.1.6.3. The Approved Export Meter(s) must have an associated export MPAN and be registered under the Balancing and Settlement Code, regardless of capacity.
- 4.1.6.4. All Generation Unit(s) registered to receive a SEG Tariff must have a dedicated export MPAN.
- 4.1.6.5. You will not be eligible for the SEG Tariff if Your Generation Unit(s) isn't connected to the Electricity Network.

4.1.7. Potential additional charges

- 4.1.7.1. You may be liable for any costs passed onto Us by third parties for example, if there is a cost associated in setting up an export MPAN on Your behalf, You'll be responsible for all the associated costs.

4.1.8. SEG Export Payment entitlement

If You are not the owner of the Generation Unit(s), You'll need to:

- 4.1.8.1. Give Us evidence to show You have a legitimate right to claim the SEG Export Payments. A Declaration Form, available on request, must be signed by the owner of the Generation Unit(s), confirming the contact details of the Generation Unit(s) owner and agreement to give Us (or Our representatives) safe and reasonable access to the Approved Export Meter(s) on request.
- 4.1.8.2. Generators must not be in receipt of an Export Tariff under the Feed-in Tariff (FIT) scheme if they intend to claim SEG Export Payments.
- 4.1.8.3. Generators must not be in receipt of SEG Export Payments from another SEG Licensee.
- 4.1.8.4. Generators are free to move between SEG Licensees but can only receive SEG Export Payments from one SEG Licensee at a time.

4.1.9. Sustainability requirements for Anaerobic Digestion Generation Unit(s)

- 4.1.9.1. Generators seeking payments for an Anaerobic Digestion Generation Unit(s) must confirm their AD Reporting Start Date and that they adhere to the Ofgem feedstock and sustainability requirements and understand that We may recoup payments based on the feedstock submissions on Ofgem's instruction. To find guidance on Ofgem's feedstock and sustainability requirements visit <https://www.ofgem.gov.uk/publications-and-updates/guidance-anaerobic-digestion-generators-seg-sustainability-criteria-and-reporting-requirements>.
- 4.1.9.2 We may request confirmation that the Anaerobic Digestion Generation Unit(s) meet Ofgem's feedstock and sustainability requirements at any time. You are required to provide this to Us within 7 days of Our request. Failure to do so may result in Your SEG Export Payments being suspended or stopped.

To find out more about the documents We need to support Your application, visit <https://www.eonenergy.com/smart-export-guarantee.html> or call us on 0345 301 4884.

5. Smart Export Guarantee tariff terms (including renewal)

- 5.1. The SEG Tariff has a fixed Export Payment Rate for 12 months starting from the Tariff Start Date.
- 5.2. You will need to provide a valid email address and telephone number for Us to use to communicate with You.

5.3. You are free to cancel the SEG Tariff at any time and will not be subject to exit fees for switching SEG Licensee. Please refer to section 12 for full switching terms.

5.4. You will have 14 calendar days from the Agreement Start Date to stop the switch to Our SEG Tariff.

5.5. If You wish to cancel the contract after this date, the contract will end when You switch to another SEG Licensee. We will only be liable for SEG Export Payments up until the date on which You switch to another SEG Licensee.

5.6. Prior to the end of the 12-month SEG Tariff term, We will contact You and tell You Your options, which will be;

5.6.1 Contact Us before the end of the 12-month SEG Tariff term to select another SEG Tariff with Us.

5.6.2. Choose to end the Agreement with Us and move to another SEG Licensees SEG Tariff. If You decide to switch to another SEG Licensee, it is Your responsibility to inform Us of the switch and comply with the Switching terms set out in section 12. If You tell Us before the end of Your Tariff End Date, we'll keep You on Your current Export Payment Rate and Terms and Conditions until Your Tariff End Date. If Your switch to a new SEG Licensee is completed after Your Tariff End Date, We will Auto Renew You onto Our Default SEG Tariff, until Your switch completes.

5.7. If We do not hear from You to confirm Your choice, by default, We will Auto Renew You onto Our Default SEG Tariff, which may have different prices and Terms and Conditions. Before this happens, We will send You a new SEG Plan to confirm the details of the Default SEG Tariff. If You choose to switch SEG Licensee once this has happened, You will be subject to Our standard switching terms detailed in section 12.

5.8. If you are eligible for an Enhanced Export Rate (for E.ON Solar and Storage sales after 1 January 2020) this will be detailed in your SEG Plan. Qualifying solar installations will need to meet all of the qualifying criteria for SEG Export Payments and will also need to be a new installation by E.ON Solar and Storage and be less than 50kW of generation.

6. SEG Export Payments

6.1. We will make SEG Export Payments once at the end of the 12-month SEG Tariff and only once We've received a Valid Meter Reading(s).

6.2. You, may request SEG Export Payments up to 4 times within the 12-month SEG Tariff term. Once We receive a Valid Meter Reading(s) it will take up to 15 Working Days to process Your SEG Export Payment. A cheque will be sent in the post to Your registered correspondence address.

6.3. At the end of the 12-month SEG Tariff, and once We receive a Valid Meter Reading(s) it will take up to 15 Working Days to process Your statement and SEG Export Payment. A cheque will be sent in the post to Your registered correspondence address.

6.4. We reserve the right to reduce, withhold or recover SEG Export Payments if an error in relation to the SEG Tariff and/or SEG Export Payments has been made or if We believe You may be abusing the SEG

Tariff, or have provided Us with incorrect information, or We've been unable to inspect Your Approved Export Meter.

7. Meter Readings

7.1. If We are unable to obtain a Valid Meter Reading(s) from Your Approved Export Meter remotely, We will contact You to obtain one. It is Your responsibility to take Valid Meter Reading(s) and provide this to Us within 7 calendar days of Us contacting You.

7.2. If We do not receive a Valid Meter Reading(s) within 7 days of Us contacting You, this may delay or stop any SEG Export Payments associated with your Generation Unit(s).

7.3. You must agree to give Us (or Our representatives) safe and reasonable access to the Approved Export Meter(s) on request.

7.4. We are only obliged to pay the SEG Export Payments based on Valid Meter Reading(s). There may be instances where We may have to estimate Your reading.

8. Metering

8.1. If We think Your Approved Export Meter(s) is faulty, We may need to arrange for it to be tested. If the test confirms Your Approved Export Meter isn't working properly You must agree an appointment for the meter to be replaced as soon as reasonably possible.

8.2. We may withhold Your SEG Export Payments until the test is completed. You will not qualify for any more SEG Export Payments until the faulty meter has been replaced.

9. VAT

9.1. If You're not a VAT registered company; all SEG Export Payments will be made exclusive of VAT. Sub clauses 9.2- 9.5 do not apply.

9.2. If You're registered for VAT, You agree to sign a Self-Billing Agreement form that allows Us (if We agree) to produce self-billed invoices for Your Smart Export Payments. This means You agree not to issue any VAT or other invoices for Smart Export Payments due under the SEG scheme.

9.3. When You accept self-billing, We'll calculate the VAT and give You a compliant self-billing invoice, which You'll need to complete Your VAT return. You're then responsible for declaring and paying the VAT shown on the self-billing invoice to HMRC on the due dates. We won't be held responsible for You not declaring the VAT shown on the self-billed invoice as Your output tax at the correct time.

9.4. You must give Us Your VAT registration number and agree to tell Us immediately if Your VAT number changes or if You stop being VAT registered.

9.5. You must agree to tell Us immediately if You transfer Your business as a going concern – in whole or in part.

10. Your Key Obligations

10.1. You must ensure that We (or Our representatives) have safe and reasonable access to Your Approved Export Meter(s) on request for inspection, testing, maintenance and replacement. If We are unable to gain safe and reasonable access to the Site and Meters, We may stop Your SEG Export Payments.

10.2. If a new SEG Plan is produced, following an update by Yourself regarding the Generation Unit(s), this must be signed and returned before SEG Export Payments will recommence.

10.3. You must tell Us if You install or remove a battery or storage device, We'll then ask You to give Us more information.

10.4. You must tell Us if a different supplier is appointed for the import electricity supply or if changes are made to the Approved Export Meter.

11. Changes of Ownership

11.1. We'll make SEG Export Payments only to the person named on the SEG Plan, as the Generator.

11.2. If You're planning to transfer ownership of Your Generation Unit(s), You must contact Us to ask for a Transfer Form. When You've completed, signed, dated and returned the form to Us, along with the requested documentation We'll then write to You and the new Generation Unit(s) owner to confirm the change. You must tell Us as soon as reasonably possible before the planned change of ownership and send us a Valid Meter Reading(s) on the date of the change. From this date we will stop any further SEG Export Payments to You.

12. Switching SEG Licensee

12.1. If You decide to switch SEG Licensee, You will need to notify Us and provide a Valid Meter Reading in order for Us to pay for the exported electricity up until the point You switch to another SEG Licensee. If We do not receive this, it may delay payment.

12.2. Once You tell Us You want to switch, We'll work with the new SEG Licensee to facilitate Your switch. If You're leaving Us we'll make Your SEG Export Payments up to the agreed Switch Date, using a Valid Meter Reading, agreed with Your new SEG Licensee.

13. Changes to your Generation Unit(s) including Decommissioning

13.1. You must tell Us if You make any changes to Your existing Generation Unit(s), including but not limited to extensions or reductions in Your Generation Unit(s) – as this could disqualify You from the SEG Tariff. If We discover a change You didn't tell Us about (including but not limited to meter exchanges, extensions, reductions or the installation of battery storage units), We may withhold, stop, adjust and/or recover Your SEG Export Payments.

13.2. If You've Decommissioned Your Generation Unit(s) You must give Us:

13.2.1. Written confirmation that the Generation Unit(s) has been fully decommissioned, along with a Valid Meter Reading to ensure We produce a final statement. Following the Decommission, no further payments will be made to You for exported electricity.

13.3. If You add a low-carbon energy source to Your Generation Unit(s) which is different from the one stated in the SEG Plan, the addition will be treated as a separate Generation Unit(s). You might be able to receive SEG payments for any additional Generation Unit(s) if You make a separate application under the SEG Scheme and providing that the Eligibility Criteria is met.

14. Ending the Smart Export Guarantee tariff

14.1. You may leave the SEG Tariff and end this Agreement at any time within the 12-month contract. To do this, You will need to contact Us with a Valid Meter Reading, using the details within the SEG Plan. We'll end this Agreement from the date You contact Us.

14.2. We may immediately end this Agreement if You break any of the terms in this Agreement.

14.3. We may end this Agreement if We cease to be a mandatory SEG Licensee and decide to exit the SEG scheme. If this happens, We'll tell You about this no later than 6 weeks before We exit the SEG scheme.

15. Our key obligations

15.1. As a SEG Licensee We will:

15.1.2. do everything We reasonably need to under the SEG Scheme as quickly and efficiently as possible. We'll make SEG Export Payments based on the information detailed within Your SEG Plan.

15.1.3. update the Agreement and send You an updated version if there is need to correct a mistake, or to reflect any relevant change in circumstances – for example, if You extend a Generation Unit(s).

15.1.4. tell You as soon as reasonably possible if an insolvency event occurs.

16. Complaints

16.1. If You have any issues with Our administration of the SEG Tariff please contact Us immediately and we'll work with You to try and resolve them.

16.2. If We don't deliver the standard of service You expect, We'd like to know about it so We can try to put it right. This is how the process works:

16.2.1. Step 1: If You have a complaint about Our SEG Tariff or the customer service You have received, please contact Our team on 0345 301 4884 or write to Us at: SEG Complaints, E.ON Energy Solutions Ltd, Caxton Road, Bedford, Bedfordshire MK41 0EW. You can also email Us at segenquiries@eonenergy.com

16.2.2. Step 2: Our team will do all they can to help with Your complaint, following Our complaints handling procedure. Find more information at www.eonenergy.com/complaint

16.2.3. Step 3: If We haven't resolved Your complaint within eight weeks, or if We've sent You a deadlock letter, You can contact the Ombudsman Services – a free, independent service to resolve complaints about energy suppliers.

You can call the Ombudsman Services on 0330 440 1624 or email osenquiries@os-energy.org

17. Liability

17.1. We're not liable for:

17.1.1 any harm You experience that, when You signed this Agreement, We wouldn't have reasonably expected could happen.

17.1.2. damage that is beyond Our reasonable control, however it was caused (including because of Our negligence).

17.1.3.any indirect or consequential losses, however caused, including but not limited to economic loss, loss of business, profit, goodwill, production revenue or similar losses.

17.2. Our maximum liability in any calendar year (January to December) for any incident or related series of incidents is £100,000. This limit doesn't apply to death or personal injury or any other liability that may not be limited in law.

18. How we manage your personal data

18.1. If You provide any personal data to Us under this Agreement, E.ON Energy Solutions Limited will be the 'data controller'. Our Data Protection Office can be contacted at: Newstead Court, Little Oak Drive, Annesley, Nottinghamshire, NG15 0DR.

We will process Your personal data in line with Our privacy notice, which We will amend from time to time. You can find it at eonenergy.com/privacy. Or You can ask for a paper copy. Our privacy notice sets

out:

- where We might get data about You from
- why We need it
- what We might do with the data (including who We might share it with)
- the circumstances in which Your data might be transferred abroad

and

- how long We keep it for

19. Miscellaneous

19.1. For properties in England and Wales, the laws of England and Wales apply to this contract. For properties in Scotland, the laws of Scotland apply. Nothing in this Agreement affects Your statutory rights.

20. Definitions

Words that are capitalised in these terms and conditions have the meanings shown below.

AD Reporting Start Date means the date on which Ofgem 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 2019.

Agreement means these Terms and Conditions, Your SEG Plan, Your Agreement Start Date and Your Tariff Start Date.

Agreement Start Date is when We receive Your signed SEG Plan.

Auto Renew means We will move You onto the SEG Default Tariff at the end of the 12-month tariff term, unless You switch to another SEG Licensee or choose another tariff.

Approved Export Meter(s) means a meter capable of measuring export at half-hourly intervals and complies with meter legislation set out in schedule A, to Electricity Supplier License Condition 57.

Balancing and Settlement Code contains the governance arrangements for electricity Balancing and Settlement in Great Britain.

Commissioned means two things about Your Generation Unit(s):

- i. A **Qualified** Person has carried out the necessary tests and procedures to make sure Your Generation Unit(s) can run at its Declared Net Capacity (assuming that the relevant eligible low carbon energy source was available to it without interruption or limitation). At the time the **Qualified** Person carried out the tests, they followed the usual industry standards and practices for commissioning that type of Generation Unit(s).
- ii. The Generation Unit(s) is connected to the Plant and can use its whole maximum output in a permitted way.

Decommissioned means You've had the entire Generation Unit(s) removed from the Site.

Default SEG Tariff means the tariff You will automatically be placed on if You do not agree a new SEG Plan with Us or switch to a new SEG Licensee before the end of Your SEG Tariff.

Electricity Network is an electricity supply system or electricity transmission system that Ofgem regulates.

Eligibility Criteria means You adhere to the qualification criteria set out in clause 4.

Export Tariff is the rate We or another SEG or FiT Licensee may pay per kWh of electricity.

Generation Unit(s) exports to the Electricity Network as Ofgem determines.

Export Payment Rate is the rate we pay per kWh of electricity your Generation Unit(s) exports to the Electricity Network.

Generation Unit(s) means a unit which meets the criteria set out in Clause 4 and creates electricity from one of these technologies: solar photovoltaic, anaerobic digestion, hydro, wind (up to 5MW total installed capacity); or combined heat and power units (CHP) up to 50kW total installed capacity.

Generator means the owner of the Generation Unit(s), regardless of whether that person is also using or planning to use it.

MCS means the Microgeneration Certification Scheme, which is an internationally recognised quality assurance scheme supported by the Department for Business, Energy & Industrial Strategy (BEIS).

MCS Certificate is a certificate that proves that an MCS Qualified Person has installed Your Generation Unit(s) and enrolled it in the Micro Generation Certification scheme.

Meters mean any type of meter directly associated with the Generation Unit(s).

MPAN means Meter Point Administration Number and is a supply number 21-digits long used in Great Britain to uniquely identify electricity supply points such as individual domestic residences.

Network Operator means a company that manages part of the electricity distribution system that carries electricity to and from Your Site.

Ofgem means The Office of Gas and Electricity Markets and is: a government body which regulated the gas and electricity market and protects consumer interests.

Plant means any equipment, apparatus or appliance that forms part of your Generation Unit(s).

Qualified Person means a person recognised by the industry who works with reasonable skill and care in accordance with industry standards and general commercial practices.

SEG means Smart Export Guarantee.

SEG Export Payment means the amount of money We pay to the Generator, calculated based on the SEG Tariff and Valid Meter Readings.

SEG Tariff means the contract terms and rate we pay per kWh for electricity Your Generation Unit(s) exports to the Electricity Network.

SEG Licensee means an organisation Ofgem has licensed to offer the SEG scheme.

SEG Plan means a document confirming Your details, the SEG Tariff, associated Terms and Conditions and details of Your Generation Unit(s) and any other relevant information.

SEG Scheme is a mechanism governed by the Smart Export Guarantee Order 2019 and Electricity Supply License Condition 57 and 58 by which We pay Generators for the electricity they export.

Self-billing Agreement means the form You must fill in if You're VAT registered.

Site means the place on which your Generation Unit (s) are situated.

Switch Date means the date You switch from one SEG Licensee to another.

Tariff End Date is the date when Your SEG Tariff comes to an end.

Tariff Start Date is the date the MPAN is registered with Us.

Terms and Conditions means these Terms and Conditions relating to Your SEG Tariff as varied time to time.

Total Installed Capacity means the maximum capacity at which an eligible installation could be operated for a sustained period without causing damage to it (assuming the eligible low-carbon energy source was available to it without interruption), a declaration of which is submitted as part of the MCS certified registration.

Transfer Form is the form You must complete to tell Us You're planning on changing the ownership of Your Generation Unit(s).

Valid Meter Reading means an export meter reading that We've confirmed is within Our set limits. These limits are based on certain tolerances and factors in the time of year, electricity exported in the past and other information. We will obtain readings either remotely or We will ask You to send them in as a photo, clearly showing the meter serial number and export reading.

VAT means 'Value Added Tax' as defined in the Value Added Tax Act 1994.

We, We'll, Us or Our means E.ON Energy Solutions Limited (Company Number 03407430) with registered office at Westwood Way, Westwood Business Park, Coventry, CV4 8LG.

Working Day means Monday to Friday (09.00-17.00) excluding bank holidays or public holidays in England and Wales.

You, Your, You're, You'll, You've, Yourself means the person who signs this Agreement with Us, detailed in Your SEG Plan.