



February 9, 2012

UK Energy Secretary Announces that changes to Anaerobic Digestion Feed-In Tariffs are to be fast-tracked.

In an announcement today, UK Energy Secretary Chris Huhne admitted that the much touted green energy program had only received 2 applications for AD plants since starting up their renewable energy Feed-In Tariffs (FITs) almost a year ago, but also that it had received a stunning 19,854 applications for solar energy farms. This huge imbalance in applications indicates that FIT rates will likely be increased significantly for AD systems within a few months, with either an outright cancellation of the oversubscribed solar program or a major FIT reduction.

There is a significant upside for Zero Waste as a result of this announcement. Assuming that FIT rates for AD are increased by 5p (\$0.08) to 16p (\$0.26) per kwh, and that the heat energy FIT's (derived through waste heat from generators) could add another 8p (\$0.14) the total revenue over 20 years could be as much as \$0.40 per kwh, or \$400,000 annually per digester for its customers.

Further updates will be posted as available.