

# Northern Ireland Renewable Heat Incentive (NIRHI)

## Heat loss calculations

Ofgem guidance refers to the possible use of heat loss calculations as a means of calculating heat losses from external pipework where the installation of meters would be ‘unduly burdensome’.

### Criteria for acceptance

The following are circumstances under which heat loss calculations might be considered acceptable in place of installing sub-meters. A suitable cut off point for each criterion is included below.

Criterion	Cut-off level/threshold	Why this should be acceptable
<i>“de minimis”</i>	Where the value of heat losses would be less than £100 per year	The administration cost of processing metering information or heat loss calculations would be greater than the value of the losses
<i>Technically impractical</i>	There must be a robust technical case	This would only apply where there are physical constraints, safety factors, and/or environmental impediments to meter installation
<i>Meters “within error margin”</i>	Where the heat losses would amount to less than 6% of eligible heat output	Given the margin of error in heat metering, in this case, installing additional heat meters could be less accurate than heat loss calculations
<i>High additional metering cost</i>	Where the cost of installing meters would exceed 5% of the total installation cost or £50k, whichever is lower.	In this case the installation of meters could be judged to be disproportionately expensive