# ofgem e-serve Making a positive difference for energy consumers

**Domestic** Renewable Heat Incentive (**RHI**)



Who are the Domestic Renewable Heat Incentive's first 1,000 participants?



The Domestic Renewable Heat Incentive (RHI) opened for applications on 9 April 2014 for homeowners across England, Scotland and Wales who install renewable heating technologies in their homes. This includes people who install those technologies as part of building their own homes (self-builders).

In the first seven weeks of opening 1,000 installations were accredited on the scheme and the participants are now set to receive seven years of quarterly payments from the Government.

We looked into the first thousand accreditations in a bit more detail...

Location	Solar thermal	Ground Source Heat Pump	Air Source Heat Pump	Biomass
Highlands & Islands	6	9	22	34
North Eastern Scotland	5	1	5	12
South Western Scotland	6	3	12	26
Eastern Scotland	21	4	27	33
Yorkshire & the Humber	17	7	25	9
West Midlands	27	15	22	14
Wales	8	3	8	14
South West England	60	11	66	33
South East England	54	14	61	21
North West England	17	3	17	18
North east England	6	11	12	4
London	12	0	9	1
East Midlands	10	5	29	9
East	28	11	62	21





### Previous fuel types



The Domestic RHI is open to domestic consumers no matter what type of heating system they are switching from. The graph above shows that the majority of the first thousand participants were using oil, while almost a third were on gas.

## Technology type



The large majority of the first thousand applicants have installed air source heat pumps, followed by solar thermal hot water systems and biomass stoves or boilers.

# The first thousand and beyond

The first thousand accredited installations came quicker than we had predicted with all four of the technology types represented from Scotland, Wales and England. There were newly installed applicants in amongst the first thousand - by which we mean homeowners who commissioned their heating systems after the 9 April 2014. Alongside these were legacy applicants - those who installed with a first commissioning date between 15 July 2009 and 8 April 2014.

We are also preparing to welcome many more applicants, both new and legacy, to the scheme. Thousands of homeowners who applied for the Renewable Heat Premium Payment (RHPP) before 20 May 2013 will be able to apply for the Domestic RHI from 9 July 2014. Those who applied for RHPP after 20 May 2013 will be able to apply from 9 October 2014. Both groups, as with all legacy applicants, will have until 8 April 2015 to apply to the scheme.



# Metering and Monitoring Service Packages

The Domestic RHI offers a unique opportunity to those who are interested in seeing the day to day readings from their heating systems. Customers can obtain a further annual financial incentive for installing a Metering and Monitoring Service Package. We are keen to hear from members of the supply chain who are interested in developing these, or are in the process of finalising packages.

#### **Essential guidance materials**



We encourage consumers who are thinking of submitting an application to read our <u>Essential Guide for Applicants</u> for a smoother application process. Installers can help their customers by reading our <u>Essential Guide for Installers</u> and visiting the <u>installers and industry section of our website</u> dedicated to the supply chain.



# 1000 accreditations



We caught up with some of our customers who told us of their renewable heating journeys\*

#### Biomass

#### Pellet Biomass Boiler

"I thoroughly researched my options before replacing my oil boiler with a biomass boiler. Lowering carbon emissions is important to me but my choice ultimately depended on the numbers. Although the upfront costs were high, I hoped the Domestic RHI would help me out. The gamble paid off and now I have a system that is carbon neutral, costs 20% less to run per annum and my RHI payments will more than cover the interest free loan we took out.

In general I found the online RHI application process through Ofgem to be straightforward enough and I wouldn't hesitate in recommending renewable heating systems to anyone."

Mr Craig Lambert | Inverness, Scotland

## Air Source Heat Pump

#### Heat Pump System

"With heating oil prices rising I researched alternative options. As I had already installed solar PV panels, feeding that electricity generation into an air source heat pump appeared to be the best option, especially when I heard about the Domestic RHI. I applied as soon as possible and now the RHI will nearly cover the installation costs.

My system has been running for a couple of years and performs better than expected with virtually no maintenance to worry about. I would recommend the heat pump system to anyone who has a well-insulated house."

Mr Neil Howells | Cwmbran, Wales

\*Case studies' views are their own and do not necessarily represent the views of Ofgem

# How to find out more:

Twitter: @AskDomesticRHI

For more information about Ofgem E-Serve:

https://www.ofgem.gov.uk/about-us/who-we-are/our-structure/ofgem-e-serve

## Solar Thermal

#### Air Source Heat Pump and Solar Thermal

"I'd been involved in renewable energy in Cornwall for some time. Our house is a converted roundhouse barn where the main fuel was oil, with under-floor heating.

A consultant recommended solar PV, solar thermal panels and an air source heat pump. We also have a wood burning stove. The Feed-In Tariff from the PV contributes significantly to the electricity used by the heat pump. The RHI reduces our energy cost to zero for the foreseeable future - but this, of course, is the result of having made a significant total investment in renewables.

The RHI was a factor in my decision. I periodically checked websites for updates and that is how I knew of the implementation. It was surprisingly easy to schedule an assessment with a Green Deal consultant and extremely easy to apply for the RHI online.

Investments in renewables, given these incentives, offer a decent return on investment, so of course I would recommend that anyone should seriously consider renewables. I think you need to plan projects very carefully and compare technologies and suppliers, as with any significant investment."

Mr Gil Patrick | Cornwall, England



www.ofgem.gov.uk/domestic-rhi