

# Domestic Renewable Heat Incentive (RHI)

March 2015



## The Domestic RHI:

Find out how our customers  
are enjoying greener, cheaper  
and more efficient energy  
in their homes.





Facts and figures

# 25,000 accreditations

Just eleven months into the Domestic Renewable Heat Incentive, 25,000 renewable heating systems have been accredited to receive Domestic RHI payments.

**Our Applicant Support Centre is a hub of activity, reviewing applications, answering enquiries from our customers and maintaining our high customer service standards. We have also been shortlisted for the Institute of Customer Service (ICS) 2015 Awards, for the Best Application of Technology in the Digital category, and we are working towards ICS Accreditation.**

This award mirrors some of the feedback we've received on our application process, as shown in the quotes dotted around this document. But we know we can always improve, so whether you're an installer, a member of the scheme or thinking of applying, please email your suggestions to [Suggestions](mailto:Suggestions.DomesticRHI@ofgem.gov.uk).



Here are some examples of improvements we've made based on customer feedback:

You said:	So we:
The links to the application form and to MyRHI could be clearer on our website.	Added a 'Login to MyRHI' button on every page, and an 'Apply Now' button for those ready to complete their online application.
There could be clearer guidance for Registered Social landlords and on tariffs and payments for the scheme.	Added some <a href="#">FAQs for Registered Social Landlords</a> and created a new <a href="#">Tariffs and Payments helpsheet</a> .
That question 6, 'Does the renewable heating system at your property have more than one MCS certificate?' on the application form was causing some confusion.	Did some more user testing, reworded it and provided a fuller explanation.
It would be helpful if you could edit parts of the application form, for example when you've made a mistake when filling in your application form.	Created some edit functionalities, reducing the number of applications that we have to reject in order for the applicant to reapply.
Some of the automatic emails we send out could be clearer.	Are reviewing the catalogue of emails we send to customers who are in the review process, to improve both their clarity and tone. These will be tested with real customers before we roll them out in late March.



## So what impact are we having?

We estimate that the accreditations made in the first 10 months since scheme launch, will save approximately 1366kT of CO<sub>2</sub> over their membership to the Domestic RHI scheme. In other words... this is nearly **1.4MT CO<sub>2</sub>**!

Or, around:

 **150,000,000 GALLONS OF PETROL CONSUMED**

**3 1/4 BILLION MILES**  
DRIVEN BY AN AVERAGE CAR



**125,000 HOMES'**  
ENERGY USE FOR 1 YEAR



**180,000 HOMES'**  
ELECTRICITY  
USE FOR 1 YEAR

TO THE MOON AND BACK  
**6807 TIMES**



“ Now I have a system that is carbon neutral, costs 20% less to run per annum and my Domestic RHI payments will more than cover the interest free loan we took out. ”

“ We had also been concerned for some years about the rising cost of the fuel and there was no prospect of mains gas in our location. ”

“ CO<sub>2</sub> emissions are still on the increase. We all must play our part in protecting our environment. We owe it to future generations. ”

“ Excellent from start to finish. Clear guidance in the leaflet, good checklist to make sure you have everything before you start, easy to follow application and I was given clear updates on how my application was progressing. ”

We asked some Domestic RHI applicants what they thought about their application journey. Here's what they had to say...

## Biomass

**Andrew King | Lincoln**

We have a detached house in a semi-rural location in Lincolnshire that is off the mains gas grid. Our space and hot water heating was provided by a combination of E7 storage heaters and a few radiators upstairs running on a central heating system powered by bottled LPG. Fuel costs were very high but we were still cold. We looked at a variety of heating types, and in the end we decided to remove the storage heaters and install a wood pellet boiler in a purpose built external boiler house. New wireless heating controls and a thermostat were also installed to run the system.

After building the boiler house, the installation of the new boiler had minimal intrusion on the house

I've had the system installed for nearly a year now, it is simple to operate and will have used 4 tonnes of pellets at a cost of approximately £1000. This has reduced my heating and hot water costs by over 50% with a carbon neutral fuel and we are actually warm as we can afford to have the heating on now.

I heard about the Domestic RHI from a colleague at work who was looking to replace his oil fired boiler.

**The Domestic RHI application process was simple as it used the data directly from the certificates provided, greatly reducing the amount of information I needed to put in as it already knew my heating requirements.**

I regularly recommend biomass boilers to anyone on oil or LPG and have shown several people my installation and explained the Domestic RHI process and basic requirements to them.

## Ground Source Heat Pump and Solar Thermal

**Francis Baker | Norwich**

I retired from business some years ago and like many people had always thought that I would like to build my own house.

During the planning process I attended a self-build roadshow and subscribed to a monthly self-build magazine to collect ideas for the actual build itself. Although already vaguely aware of the potential benefits of 'renewables', this convinced me that I should incorporate as much of the technology that the planners and cost would allow.

It was while researching GSHP technology and underfloor heating that I became aware of the Renewable Heat Premium Payment (RHPP) and the proposed Domestic RHI scheme. As soon as the heat pump was installed and commissioned I applied for the RHPP and this was quickly granted. The process was reasonably simple and straightforward to follow and caused no problems.

Fortunately the planners allowed a tiled roof for the detached double garage and this enabled me to fit solar thermal panels for the domestic hot water. Again the application for the Domestic RHI was quickly approved. There was a slight problem with the application, this was discussed with Ofgem and they were extremely helpful in pointing me in the right direction.

I applied for payments for both of the technologies. This did involve gathering all the various bits of paper, which was time consuming, but having got them together the application itself was dealt with speedily and efficiently.

As regards to the performance of the renewable heating systems I have no complaints whatsoever and have no hesitation in singing the praises of both the heat pump and solar thermal technologies. The payments will actually leave me better off. In addition of course the ongoing running costs of the house are dramatically less.



## Biomass



### Martin Thomson | Cornwall

In spring 2013 we made the decision to look for an alternative to our existing gas boiler which had become totally uneconomic and ineffective. To heat the property to an acceptable standard had become unaffordable.

Thoughts of a renewable source of heating were not at the front of our minds but a chance comment made by a friend caused us to investigate. We contacted a local installer with whom we had a very good relationship and after many quotations, meetings, researching and, yes, doubts we decided to install a wood pellet boiler, along with the necessary changes to the hot water system.

Whilst we had suffered from those very real initial doubts we were quickly able to put them to one side as the pellet boiler gave us superb levels of heat and delivered it all day for a cost very similar to the miserly times offered by the original bulk gas installation. We are currently enjoying very affordable all day heating.

We were more than pleased that we could submit a claim for the Domestic RHI payments through an online process. For someone with a working life embracing ICT and systems development I was apprehensive at the thought of having to make such an online application. To my great surprise the entire process, from website guidance to physically making the online application was absolutely superb.

**It was a breath of fresh air and demonstrated the full potential of a truly integrated online system. All information, as entered, is checked in real time and by the time I had completed the online process an email was already in my inbox with my offer... truly stunning!**

To this day I shake my head in disbelief . . . but it certainly was true!

Reviewing now, as we start 2015 we have been delighted with our wood pellet boiler installation, our installer, and the seven year Government support, via Ofgem and the Domestic RHI.

## Ground Source Heat Pump



### Colin Sheppard | Bicester

We had the exciting opportunity to build a brand new house in a beautiful Oxfordshire village, replacing a thatched cottage that had been destroyed in a fire.

For us, installing a ground source heat pump was a no-brainer. There's no mains gas to the house and with the Domestic Renewable Heat Incentive (RHI) the heat pump was not only the right decision for environmental purposes, it was easily the best option financially.

Now that the house is finished, we couldn't be more delighted with the heating and hot water - with highly reliable performance, low maintenance costs and very reasonable electricity bills.

We first heard about the Domestic RHI scheme at one of the Homebuilding and Renovating shows which we found invaluable during the build process. The application process was actually very straightforward. The Energy Saving Trust website has a huge amount of information that helps you through the process. The only complicating factor was the need to obtain a Seasonal Performance Factor for the heat pump, which involved someone coming out to survey the house.

We would absolutely recommend a ground source heat pump to anyone with a self-build, particularly if they are considering underfloor heating (which is wonderful).

**Low fuel bills, low maintenance costs, no carbon emissions - and a grant from the government with a straightforward application process - wonderful!**

**“ Really easy to apply. Instant result! ...We found that any information provided prior to and after our biomass installation was very clear, precise and much appreciated. ”**



## Case studies

“ It was extremely efficient and the support centre staff were very tolerant of my idiotic questions. ”

### Air Source Heat Pump

**Jim Stott | Hampshire**

I am a retired building services engineer and familiar with heat pump design/efficiency, so I was pleased to see this technology had migrated to the domestic market.

Prior to installing a heat pump, my four bed detached house was heated using an oil fired boiler. My average oil consumption was 1,201 litres per year, and my last invoice, heating oil was priced at 60p per litre. Also, my average electricity consumption was 3,166 kWh per year. My average cost per year for total energy was £1,145.

I am very pleased with my installation, which was commissioned on 1 July 2010. I saved 28% in the first year.

My installer informed me that the Domestic RHI had opened and gave me a link to Ofgem's website. I found the guidance on the website very helpful. With all documents eventually in place, the application process itself was handled very efficiently and I soon received my first Domestic RHI payment.

**I would have no hesitation in recommending the installation of renewable heating technology to anyone. The type to choose is a personal preference and one best suited to the user's needs. I would certainly recommend applying for the Domestic RHI payments.**

The process is simple and financially rewarding. Finally, CO<sub>2</sub> emissions are still on the increase. We all must play our part in protecting our environment. We owe it to future generations.

### Air Source Heat Pump + Solar Thermal

**Geraint Wyn Jones | Wrexham County Borough Council | Wales**

#### Registered Social Landlord

The local authority was looking at improving the heating in those tenants' homes which are off the mains gas network. They were previously heated either by coal or old electric storage heaters. Around 60 properties were provided with an air source heat pump and where suitable, a solar thermal system was installed to compliment the hot water heating. We had heard of the Domestic RHI for quite a while before it was finally launched, and attended a workshop organised by EST Wales in the days leading up to the launch. For the initial registration for Local Authorities, approval by the signatory on the Council's bank account was asked for as well as the Title Deeds for the first property registered. This took quite a few weeks before final approval was given for me to act on behalf of the Council.

It was then quite an easy process to register the installations on the Domestic RHI web portal with an instant response when the process was completed.

### Solar Thermal

**Michael Thyer | Brighton**

Over a number of years our property in Small Dole suffered with a subsidence problem. Rectification would have been expensive, disruptive and not guaranteed to be successful, so we opted for demolition and a complete rebuild. Installation of solar thermal panels seemed like a very good idea from the start, to both future proof against rising energy prices, and also to help our local planning authority application.

The installer who supplied and fitted our solar thermal panels also told us about the Domestic RHI and supplied us with the relevant certificates. The application process was fairly straight forward and Ofgem's applicant support centre was extremely helpful with regard to the information and documentation we needed to supply. The solar thermal system provides us with all the hot water we require during the summer and just needs a bit of help from our gas boiler during the winter months.

## Air Source Heat Pump

**Ralph Retallack | Coastline Housing Ltd | Cornwall**

### Registered Social Landlord

Coastline Housing Ltd (CHL) own and manage 4000 properties located in Cornwall. CHL is predominately a provider of general needs housing, although 650 of its homes are for older people.

40% of Coastline homes are in rural off gas areas, many of which have little or no prospect of economic connection to the gas main. The rising cost of fuel, in particular oil in recent years has brought fuel poverty concerns to the fore of the agenda for both CHL and tenant customers alike.

Renewable heating air source heat pump technology has been at the fore of CHL's Affordable Warmth Strategy for a number of years and we are delighted to now benefit from RHI payments for both ongoing and importantly legacy installations. The funding will allow us to extend our programme and further this essential work. In total 205 ASHPs have been installed to date, of which 175 will qualify for RHI legacy install payments.



The RHI claim process has commenced and CHL's experience has been good! The level of contact by Ofgem and information provided ahead of application to smooth the application process has been excellent. It was immediately evident to us that Ofgem wished to make the application process as smooth as possible and from our experience they have achieved this aim; we engaged with the Social Landlord's Webinar which was extremely helpful and where we have had queries we have been able to speak directly to an informed person within the Domestic RHI team to resolve at first point. Except for some minor typical first application issues which were quickly resolved the application process is now straightforward and trouble free. Importantly we know that if we have an issue we will be able to directly discuss with Ofgem and quickly resolve.

## Biomass

**Gary Houghton | Aberdeen**

Before installing our biomass pellet stove we had a multi-fuel range heater which we ran mainly on coal, as decent seasoned wood was hard to come by. The multi-fuel range heater, though beautiful to look at, was costly to run and not that controllable. We were also uncomfortable with using coal as our main fuel.

The pellet stove we chose would not be too complicated to connect to our radiator system. As a bonus the pellets are produced locally.

We had not really thought of the Domestic RHI but the pellet stove supplier provided information on the scheme and directed us to the Ofgem website. We are usually reluctant to apply for such schemes because we expect them to be overly complicated and difficult to comply with.

The Ofgem website was very user friendly. It was incredibly easy to navigate and the information was provided in plain English. Our requirements, responsibilities and the entire application process were clearly stated. We obtained a Green Deal Assessment and an EPC, and our stove was MCS certified.

**The application process was done online, and to me, the forms were a good example of how a form should be.**

There were no unnecessary questions and the filling in process was simplicity itself. On completion I submitted the form and was amazed to receive a response the same day stating that our application had been successful and what our Domestic RHI payments would be.

The switch to pellets has been a great success especially for a rural, hard-to-heat property like ours. We are warmer and our heat source is cheaper, greener, more efficient and more controllable. The Domestic RHI scheme, though not originally our intention, has helped considerably with the cost of switching to biomass heating and also enabled us to improve the energy efficiency of our home. We cannot recommend the scheme enough.



## Useful Information

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### Find out more

#### Next steps

See our **Essential guide for applicants** - [www.ofgem.gov.uk/publications-and-updates/domestic-rhi-essential-guide-applicants](http://www.ofgem.gov.uk/publications-and-updates/domestic-rhi-essential-guide-applicants)

See our Websites:

**Domestic RHI** - [www.ofgem.gov.uk/environmental-programmes/domestic-renewable-heat-incentive](http://www.ofgem.gov.uk/environmental-programmes/domestic-renewable-heat-incentive)

**Non-Domestic RHI** - [www.ofgem.gov.uk/environmental-programmes/non-domestic-renewable-heat-incentive-rhi](http://www.ofgem.gov.uk/environmental-programmes/non-domestic-renewable-heat-incentive-rhi)

### For help

For all general queries about the Domestic RHI contact:

**The Energy Saving Advice Service**, if you live in **England or Wales**:

- Call **0300 123 1234**. Calls are charged at the standard national rate.
- Email [energy-advice@est.org.uk](mailto:energy-advice@est.org.uk)

**Home Energy Scotland**, if you live in **Scotland**:

- Call **0808 808 2282**. Calls are free from landlines and most mobile networks.
- **Online email form** - [www.energysavingtrust.org.uk/scotland/Energy-Saving-Trust/Contact-us/Email-us](http://www.energysavingtrust.org.uk/scotland/Energy-Saving-Trust/Contact-us/Email-us)

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### For help on or after applying

Contact the Domestic RHI applicant support centre

**Telephone:** 0300 003 0744

**Email:** [domesticrhi@ofgem.gov.uk](mailto:domesticrhi@ofgem.gov.uk)

Our applicant support centre opens Monday to Friday 9am – 5pm