

Domestic Renewable Heat Incentive (DRHI)

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Quarterly Report Issue 34

The Domestic Renewable Heat Incentive (DRHI) opened for applications on 9 April 2014 for customers across England, Scotland and Wales who install eligible renewable heating technologies in their homes. This report details scheme activity in the second quarter following scheme closure (Quarter 2 Year 9), covering the period August 2022 to October 2022.

Number of accreditations

Figure 1: Accreditations per quarter between November 2021 and October 2022

This chart shows applications received between November 2021 and October 2022. There was a 30% reduction in accreditations granted during Quarter 2 Year 9 compared to the previous quarter. This is the second complete quarter following scheme closure on 31 March 2022.

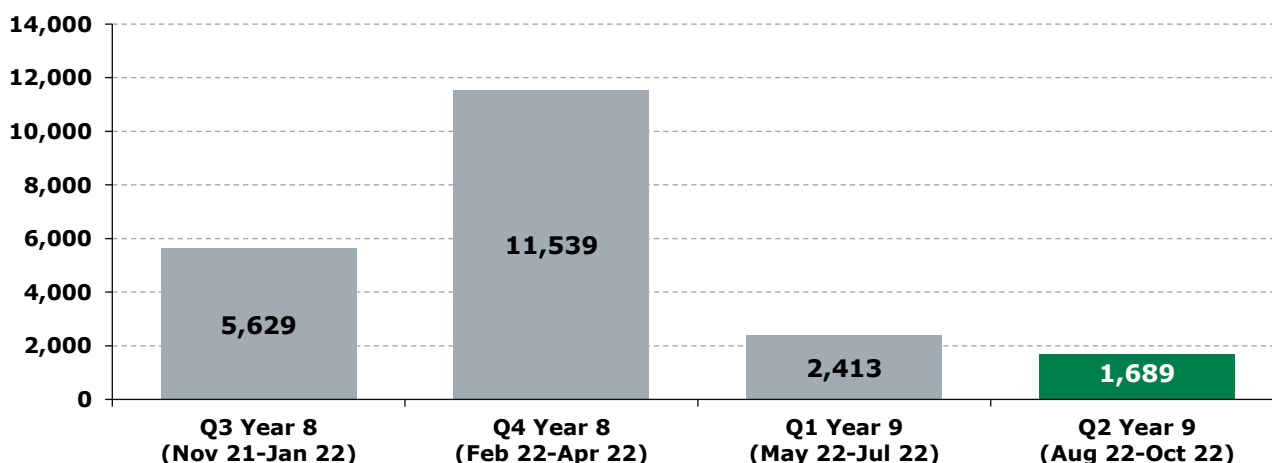


Table 1: Number of accreditations made per month

Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22
1,701	1,780	2,148	2,739	7,508	1,292	1,315	320	778	612	586	491

114,525

**Total number of systems
accredited to the scheme**

Legacy and new accreditations

Legacy accreditations are systems that were commissioned between 15 July 2009 when the RHI was first announced by Department for Energy and Climate Change (now Department for Business Energy and Industrial Strategy), and 9 April 2014 when the Domestic RHI scheme launched. New systems are those that were commissioned on or after 9 April 2014. Please note that Legacy systems can still be accredited where we have assessed and approved a change of ownership.

Table 2: Quarterly legacy and new accreditation numbers

Period	Legacy	New
Q3 (Year 8)	21	5,608
Q4 (Year 8)	5	11,534
Q1 (Year 9)	0	2,413
Q2 (Year 9)	98	1,591

Figure 2: Cumulative accreditations by application type

This chart shows the number of Legacy applications has risen slightly from 23,353 in Quarter 1 Year 9 to 23,451 in Quarter 2 Year 9. New applications continued to rise to 91,074.

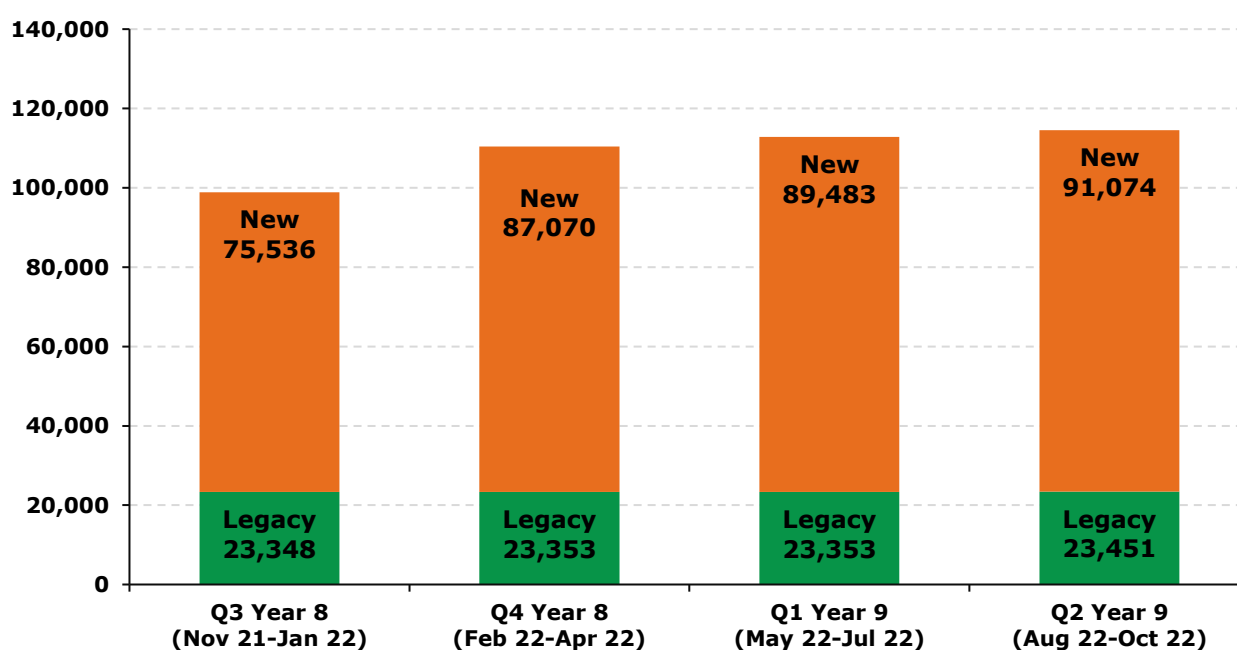
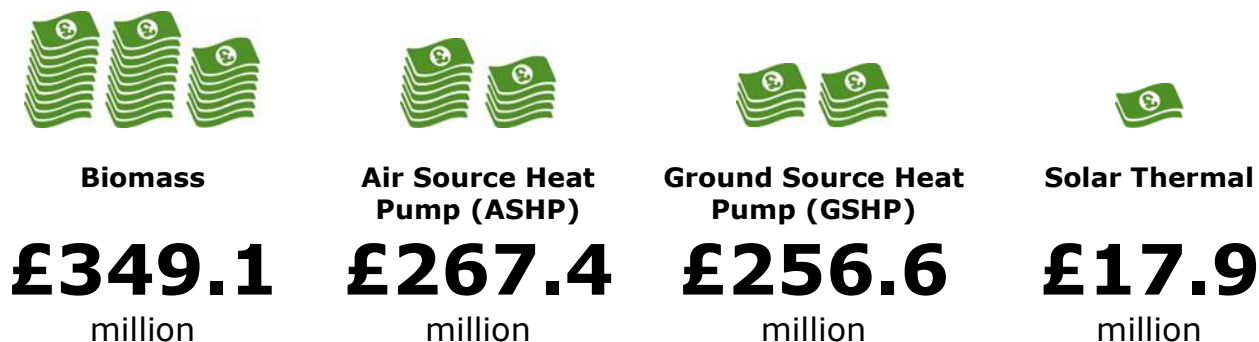


Table 3: Cumulative accreditations by application type

Period	Legacy	New	Total
Q3 (Year 8)	23,348	75,536	98,884
Q4 (Year 8)	23,353	87,070	110,423
Q1 (Year 9)	23,353	89,483	112,836
Q2 (Year 9)	23,451	91,074	114,525

Payments made to date

The total number of payments made to accredited systems since the scheme began, by technology type are shown below. Since scheme launch, accredited systems have generated approximately 7,621 GWh of renewable heat.



Accreditations by technology for new applications

The graph below shows the cumulative number of accredited systems per technology type for new systems only (systems commissioned on or after 9 April 2014). Air Source Heat Pumps (ASHP) continue to be the most popular technology type installed under the DRHI scheme, accounting for 75.2% of total new accreditations this quarter.

Figure 3 (a-d): Cumulative accreditations by technology type for 'New' systems

The charts below show cumulative accreditation numbers across all technology types. All technology types saw smaller rises in August to October 2022 compared to May and July 2022.

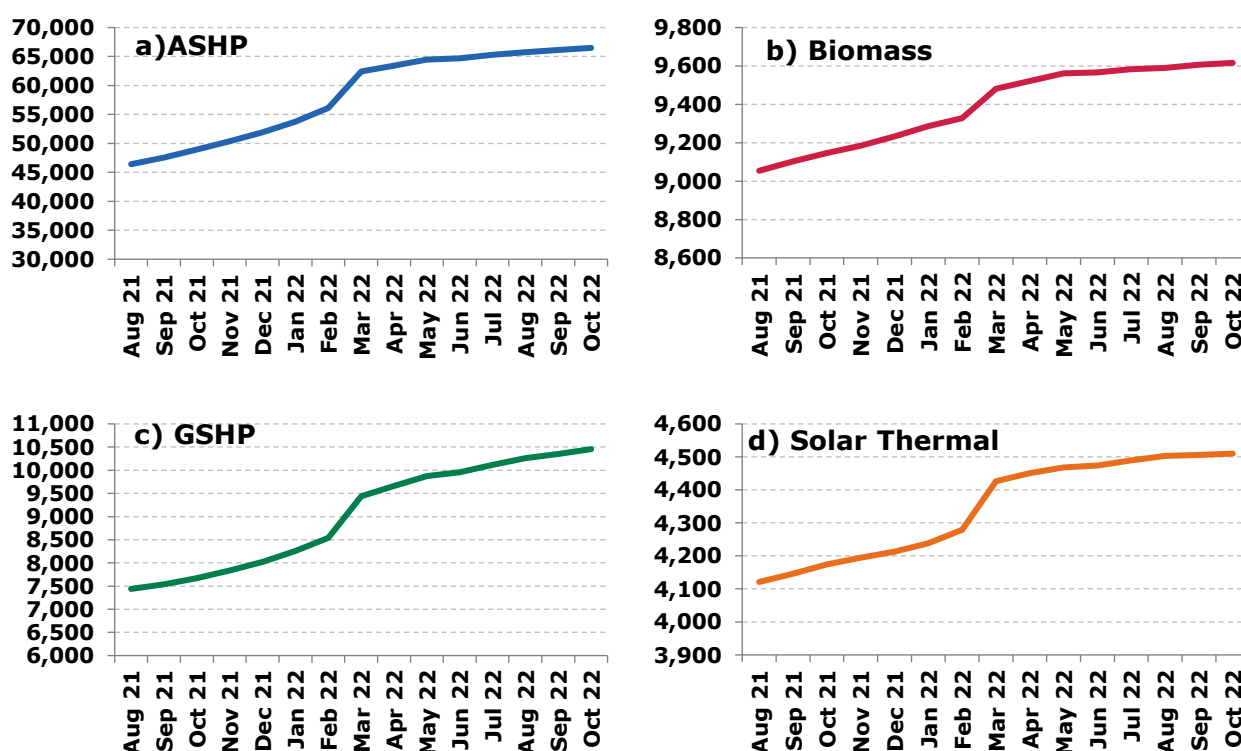


Table 4: Cumulative accreditations by technology type for 'New' systems

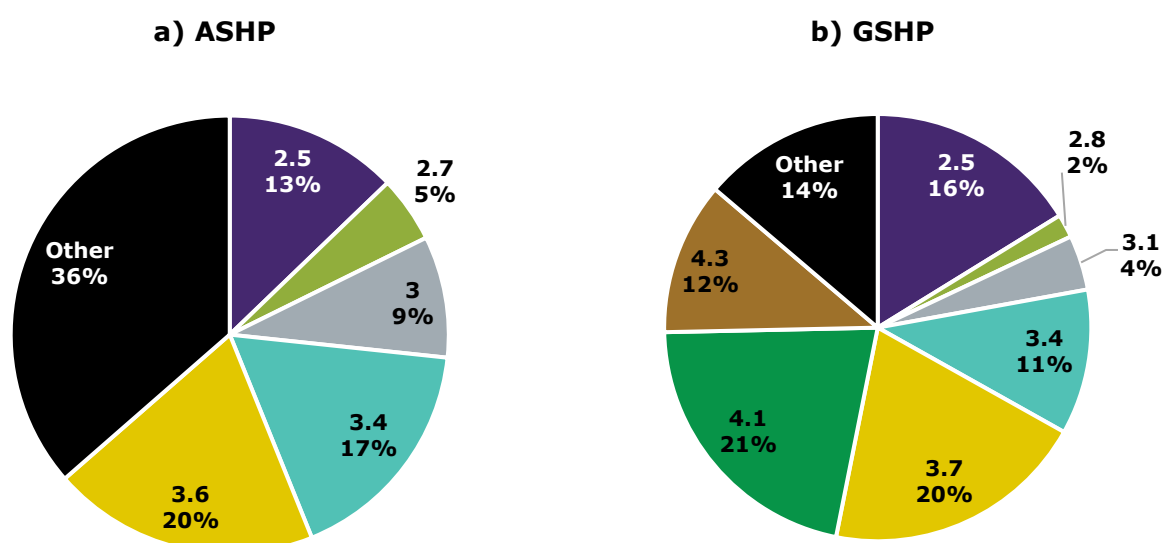
Period	ASHP	Biomass	GSHP	Solar Thermal
Q3 (Year 8)	53,756	9,286	8,256	4,238
Q4 (Year 8)	63,439	9,522	9,658	4,451
Q1 (Year 9)	65,295	9,583	10,116	4,489
Q2 (Year 9)	66,492	9,616	10,456	4,510

Seasonal Performance Factors

The Seasonal Performance Factor (SPF) of a heat pump is a measure of how efficiently it is operating. The higher the SPF, the more energy efficient the system is. Only heat pumps with SPFs of 2.5 or higher can be eligible for Domestic RHI. All legacy systems were automatically assigned an SPF of 2.5, unless the applicant provided SPF calculations completed by the installer.

Figure 4 (a & b): Heat Pump SPFs

The charts show Air Source Heat Pumps (ASHP) registering higher SPF levels from the 3.4 to 3.6 range, forming 37%. The proportion of Ground Source Heat Pumps (GSHP) with high SPF levels between 3.7 to 4.3 was even higher at 53%.

**Table 5: ASHP SPFs**

SPF	2.5	2.7	3.0	3.4	3.6	Other
% of installations	12.8%	4.9%	9.0%	17.2%	19.7%	36.4%

Table 6: GSHP SPFs

SPF	2.5	2.8	3.1	3.4	3.7	4.1	4.3	Other
% of installations	16.4%	1.7%	4.0%	10.7%	19.8%	21.5%	11.7%	14.2%

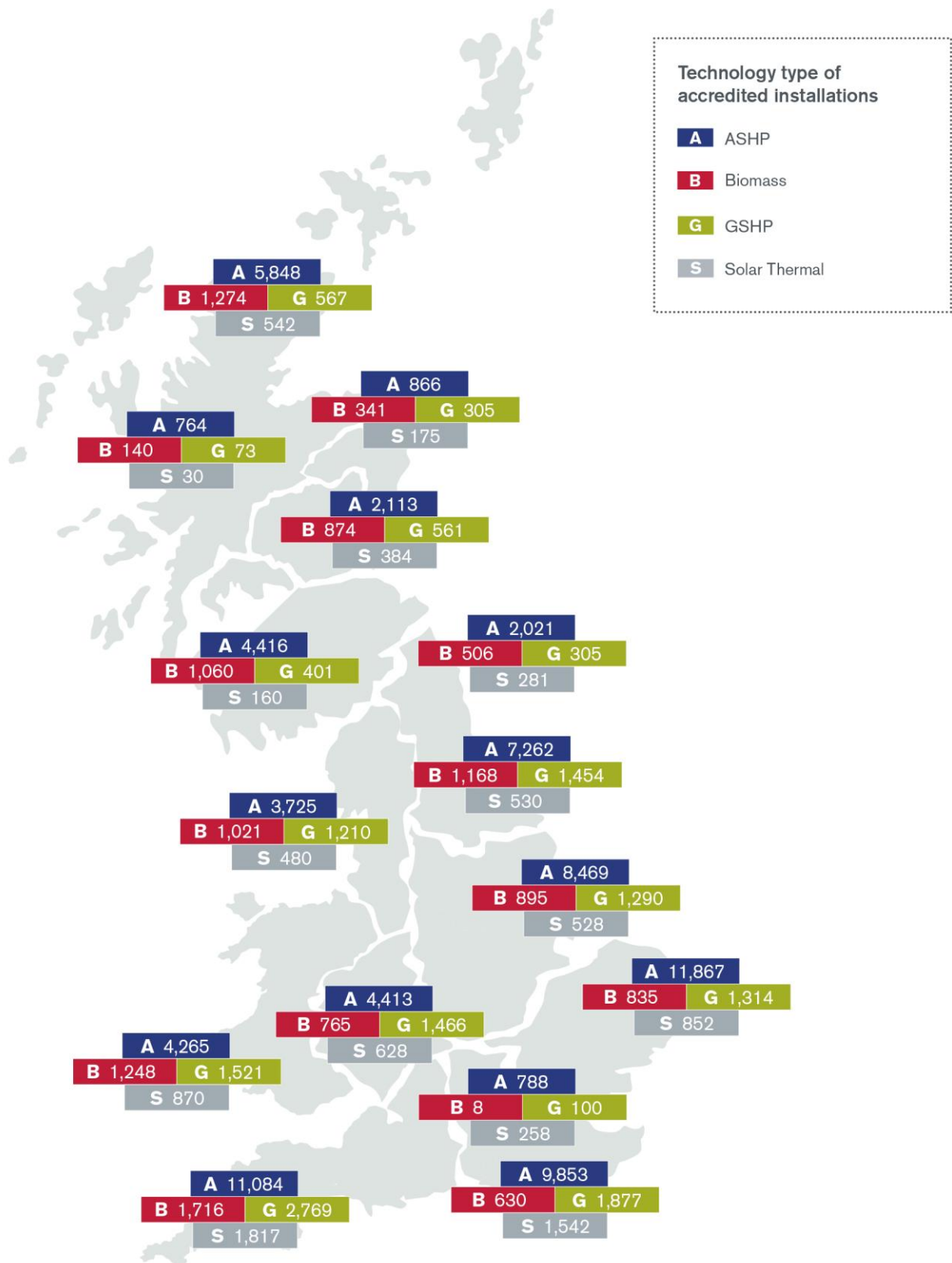
Regional distribution of accreditations

Table 7: Total accreditations per region

Location	ASHP	Biomass	GSHP	Solar Thermal	Grand Total
South West England	11,084	1,716	2,769	1,817	17,386
East England	11,867	835	1,314	852	14,868
South East England	9,853	630	1,877	1,542	13,902
East Midlands	8,469	895	1,290	528	11,182
Yorkshire and The Humber	7,262	1,168	1,454	530	10,414
Highlands & Islands	5,848	1,274	567	542	8,231
Wales	4,265	1,248	1,521	870	7,904
West Midlands	4,413	765	1,466	628	7,272
North West England	3,725	1,021	1,210	480	6,436
Southern Scotland	4,416	1,060	401	160	6,037
East Scotland	2,113	874	561	384	3,932
North East England	2,021	506	305	281	3,113
North East Scotland	866	341	305	175	1,687
London	788	8	100	258	1,154
West Central Scotland	764	140	73	30	1,007
Grand Total	77,754	12,481	15,213	9,077	114,525

Figure 5: Regional distribution of accredited systems by technology type

This map of the UK shows the number of systems accredited to the scheme across each region. The South West has the highest number of accredited installations totalling 17,396. In contrast, West Central Scotland has the lowest number of accreditations at 1,007.



Registered Social Landlords

In addition to homeowners, Registered Social Landlords (RSLs) are also eligible to apply for the Domestic RHI. In the last twelve months, 3,382 accreditations have been made to RSLs, 96.7% (3,272) of which are Air Source Heat Pumps.

Figure 6: Registered Social Landlord accreditations by technology

The chart shows RSL accreditations fell by 131 in the second quarter since scheme closure. In Quarter 2 Year 9, 74 accreditations were ASHP whilst the remaining 98 were formed of GSHPs.

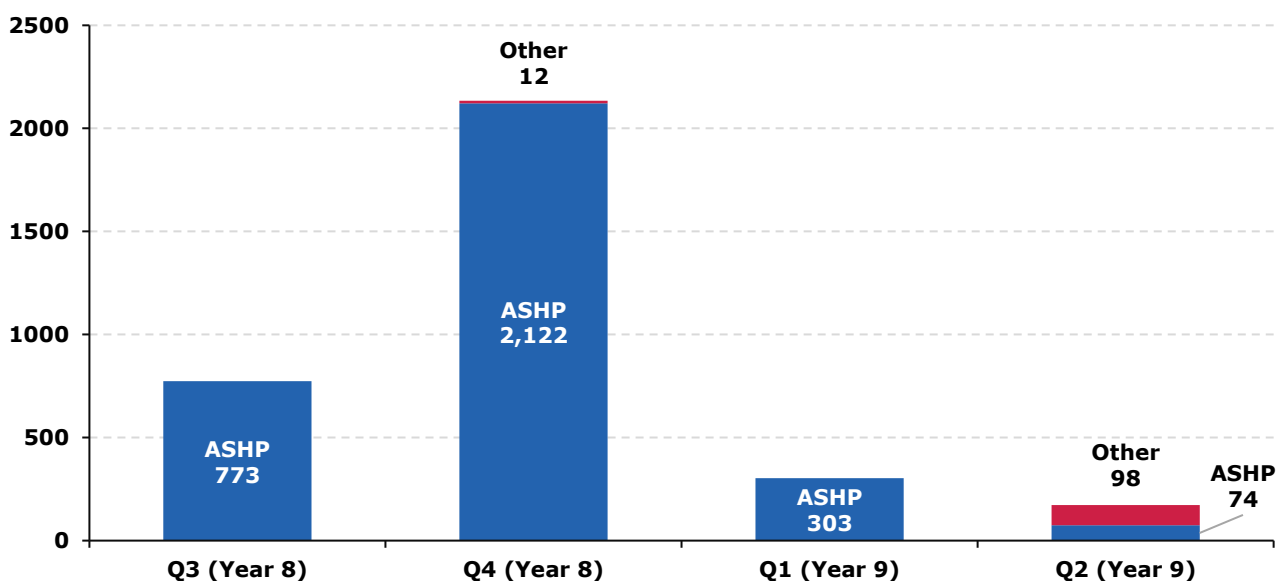


Table 8: Registered social landlord accreditations by technology

Period	Air Source Heat Pump	Biomass	Ground Source Heat Pump	Solar Thermal
Q3 (Year 8)	773	0	0	0
Q4 (Year 8)	2,122	0	1	11
Q1 (Year 9)	303	0	0	0
Q2 (Year 9)	74	0	98	0

In total, we have made **£64.4m** of payments to Registered Social Landlords under the DRHI scheme to date.

Our Administration

- Of the outstanding applications at scheme closure **89%** have now been processed.
- Queue volumes have fallen this quarter by **70%** from 2,303 on 1 August to 706 on 31 October.
- If you have any questions about the content of this report, please let us know by emailing: domesticRHI@ofgem.gov.uk.