

Domestic Renewable Heat Incentive (RHI)

October 2014



**The first 10,000 Domestic RHI
accreditations**





Facts and figures

10,000 accreditations

On 29 September 2014, we hit a major milestone: 10,000 accreditations for the Domestic Renewable Heat Incentive (RHI) in less than six months of the scheme being opened. All over Scotland, England and Wales, renewable heating technologies are being installed.

Our applicant support centre has been a hub of activity answering enquiries, helping applicants supply us with the correct documentation and ultimately accrediting applications from all over Scotland, England and Wales.

On 9 July, exactly three months after the scheme opened, we started paying the RHI to successful applicants. To date, we have paid more than £1m to those who have been accredited. We are expecting to pay approximately £120m* for the first 10,000 accreditations over the next seven years.

The geographical distribution of the first 10,000 accredited technologies is shown on the map (figure 1). As you can see from the pie chart (figure 2), air source heat pumps are the most common. The distribution varies across the regions.

Table 1 displays the number of households per accreditation in various regions. This shows for example that South West England and Scotland are the two regions with the highest number of accreditations compared with the number of households. South West England has 1,226 households per accreditation and Scotland has 1,487 households per accreditation.

Interested in more of our Domestic RHI stats?
We publish figures on our website on a weekly basis, and we also recently published our first Quarterly Report. You can find both of these on our public reporting web page [here](#).

Region	Total no. of accreditations	Households per region**	Households per accreditation
South West England	1,847	2,264,600	1,226
Scotland	1,596	2,372,780	1,487
East England	1,240	2,423,000	1,954
Wales	640	1,302,700	2,035
Yorkshire & the Humber	851	2,224,100	2,614
South East England	1,301	3,555,500	2,733
East Midlands	649	1,895,600	2,921
West Midlands	730	2,294,900	3,144
North East England	322	1,129,900	3,509
North West England	643	3,009,600	4,681
London	181	3,266,200	18,045

Table 1: Number of households per accreditation by region

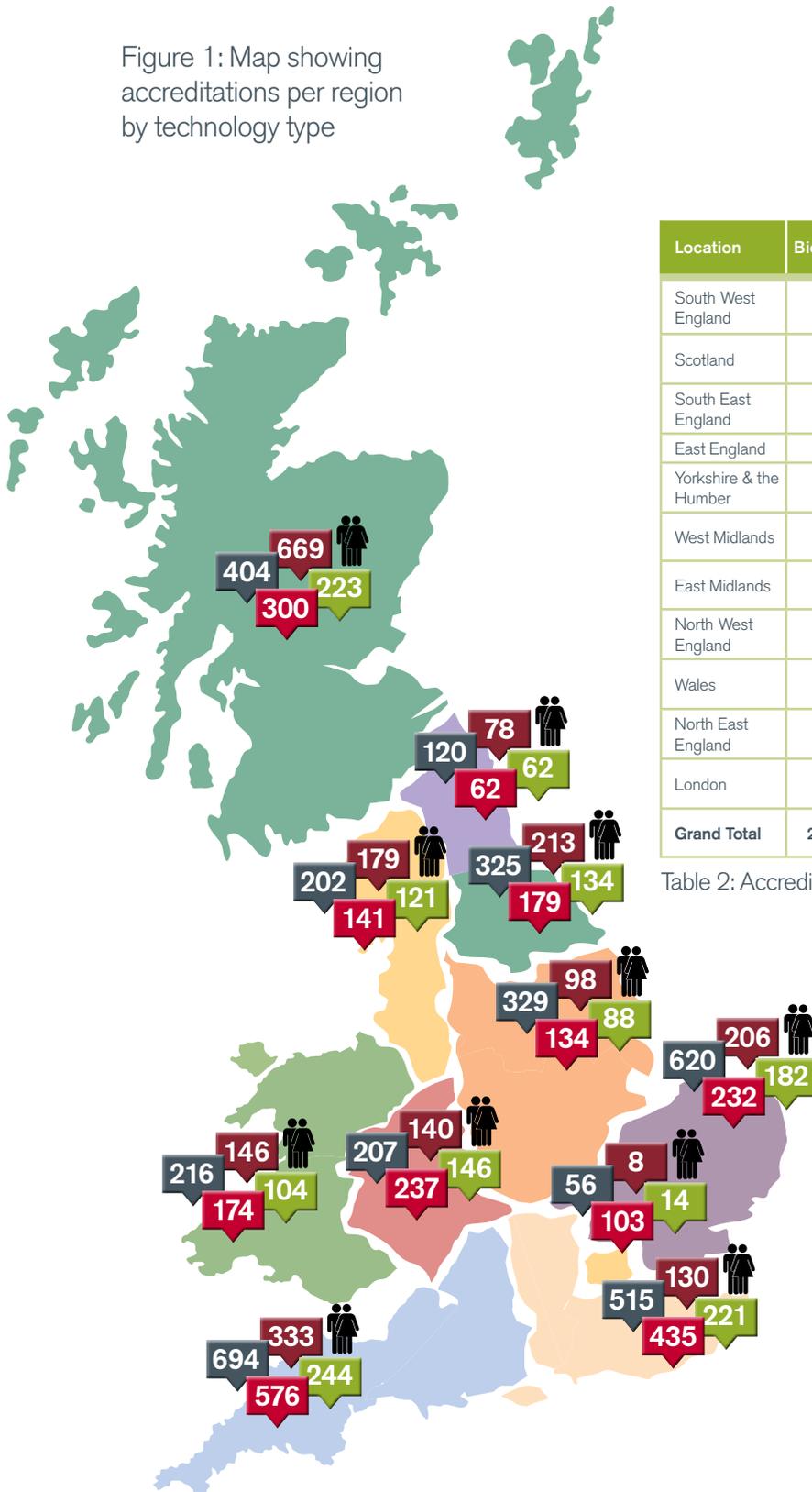
*This figure is an estimate and does not account for future changes in the Retail Price Index.

**Sources: Office for National Statistics and National Records of Scotland (2011 census)



“ I really could not believe how straight forward the process was. The advisor was so polite and helpful. Thank you. ”

Figure 1: Map showing accreditations per region by technology type



Location	Biomass	Air Source Heat Pump	Solar Thermal	Ground Source Heat Pump	Grand Total
South West England	333	694	576	244	1,847
Scotland	669	404	300	223	1,596
South East England	130	515	435	221	1,301
East England	206	620	232	182	1,240
Yorkshire & the Humber	213	325	179	134	851
West Midlands	140	207	237	146	730
East Midlands	98	329	134	88	649
North West England	179	202	141	121	643
Wales	146	216	174	104	640
North East England	78	120	62	62	322
London	8	56	103	14	181
Grand Total	2,200	3,688	2,573	1,539	10,000

Table 2: Accreditations per region by technology type

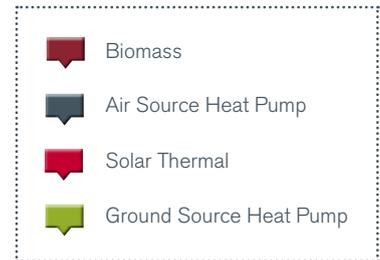
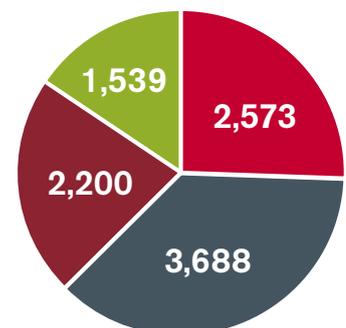


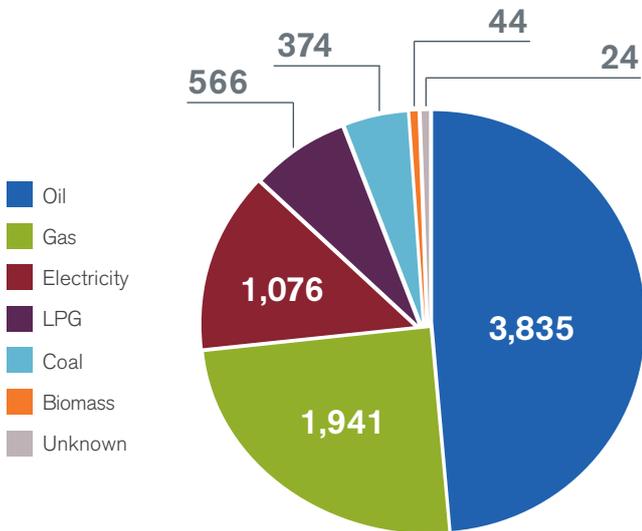
Figure 2: Technology type





Facts and figures

Figure 3: Previous fuel types

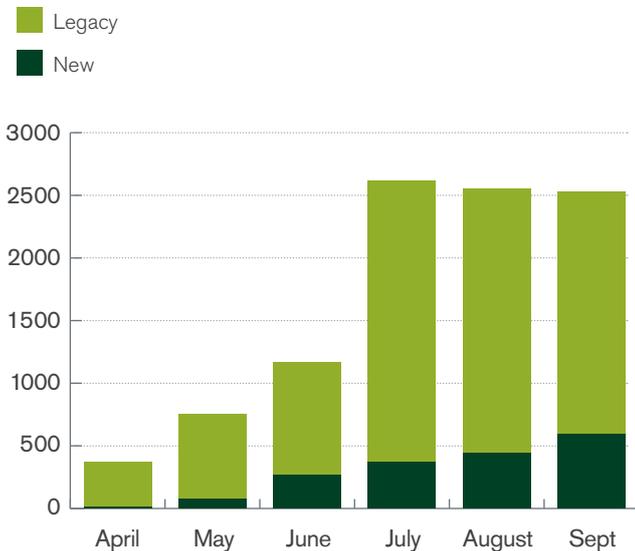


“ **Very quick response. Clear instructions on what was needed to complete my application... extremely efficient process.** ”

The pie chart* (figure 3) on the left shows the previous fuel types used by Domestic RHI members before switching to their new technology. Oil remains the most common fuel being replaced, suggesting that many people who are off gas-grid are benefitting from the scheme. The next most common fuels being replaced are gas and electricity.

* this represents 7860 participants who gave an answer for this question. Note that the remaining respondents left this question blank; they have been removed from the graph.

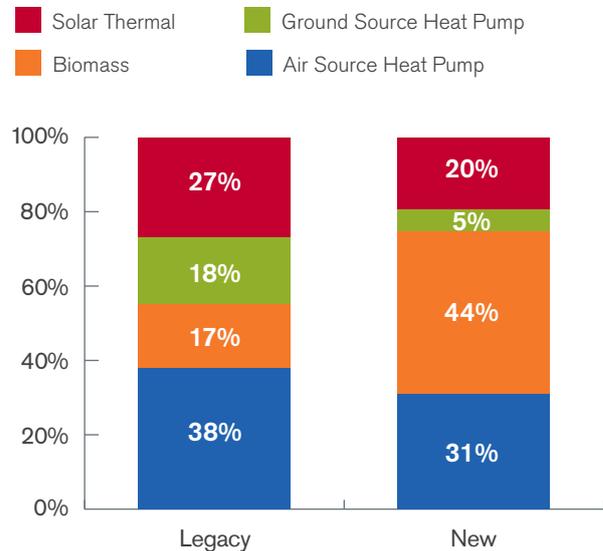
Figure 4: Number of accreditations per month - Legacy and New



Figures 4 and 5 show, as expected, that a high proportion of accreditations so far are for legacy (installed between 15 July 2009 and 9 April 2014).

This is because the legacy category includes almost five years' worth of historic installations which are eligible to apply now the scheme has opened, whereas new is only those who have installed in the last six months. Legacy applicants have a 12 month window from the scheme launch to submit their applications (until 8 April 2015).

Figure 5: Legacy and New by technology type



Some legacy applicants received Renewable Heat Premium Payments (RHPP, a one-off grant) and because of the large volumes of people that would become eligible, we phased the dates that people could apply. We have received some of these applications since the first phase opened on 9 July, and we are looking forward to welcoming the remaining RHPP legacy applicants from 9 October.

Figure 4 (above) shows that the number of new accreditations, those installed on or after 9 April 2014, is increasing steadily, especially for biomass and air source heat pumps (figure 5).



Air Source Heat Pump



Ralph Retallack | Energy Efficiency Projects Manager, CHL Cornwall, SW England

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 sheltered for older and vulnerable 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 mains. 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.

We caught up with some of our existing Domestic RHI members who told us about their renewable heating journey*

Air Source Heat Pump



Storm and Billy Byfield | Isle of Tiree, SW Scotland

We chose air source heat pump technology because we were looking to renew our outdated heating system and heard from a friend that this was an economical renewable heating source that required very low maintenance. We had electric storage heaters which were very expensive and did not heat the house very well and an immersion heater to heat the hot water. The air source heat pump is far superior to the old electric storage heaters. The house is warm and the costs are reduced.

Our installer informed us about the Domestic RHI and from beginning to end the application process was quick and easy. When I phoned the helpline everyone was extremely helpful, well informed and friendly. I couldn't fault the process or the people at Ofgem. The MyRHI online service is fantastic informing you of your payment schedule for the next seven years.

We would have no hesitation in recommending a renewable heating technology to friends and family and we would also let them know about applying for Domestic RHI as this is a great help for anyone wishing to install this type of heating system in their homes.

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



Case studies

“The whole process was well thought out and clear, leading the applicant through what could have been a maze of confusion without any problems... It was very good.”

Ground Source Heat Pump

Simon Evans | Llanybydder, Wales

The bitterly cold winter of 2010 and the resulting heavy consumption of kerosene, a tank full in a month, proved to be the tipping point; there had to be a better way of heating our house. Six months of detailed research on the internet brought ground source heat pumps to the fore as the best option for our 17th century farm house. A year later the system was in; two bore holes, a combi heat pump and larger radiators. What a transformation! The house was lovely and warm all the time, and better still, the cost of running the system was nearly 60% less than with oil.

My installer told me at the time that RHI would happen one day, and sure enough, three years later, an e-mail from Ofgem advised me that Domestic RHI was live, and that I could apply. I followed their online advice and got all the necessary documentation in place ready for legacy system D day. The application process itself was really easy and quick. Now I can look forward to an income stream over the next seven years that will go a long way to offset the cost incurred with the original installation. A cracking deal; and it's cheaper to run too!



Ground Source Heat Pump & Solar Thermal

Phil Winwood | Whitchurch, West Midlands

We had the opportunity to develop an old barn which needed substantial renovation. We reviewed all heating options and decided that a renewable technology was realistically the way forward. We had quotes from a number of suppliers and took the decision to install a ground source heat pump (GSHP) as the property had sufficient land to bury the required ground loops. One of these suppliers also advised us about the Domestic RHI.

We found that the GSHP was better than we had ever expected, delivering a constant temperature throughout the property using the underfloor heating system. It was then simply to wait for the Domestic RHI to launch, check our eligibility and the date we would be able to apply as we were a legacy applicant.

In early 2014 we attended the Home Building and Renovating show in Birmingham and found an Ofgem advisor. He was extremely helpful and said the launch was imminent and to keep looking at their website for information. He was at pains to point out the application process would not be difficult and that I would find the online application straight forward.

I read carefully through the information on the website, which answered all my questions, and waited for the legacy application date. I first completed the application for our solar thermal panels and could not believe how simple the process was. An Ofgem advisor contacted me a couple of days later to go through the application, this was as simple as the online process. During the conversation I mentioned I had already submitted a further application for our GSHP, the advisor said he would keep a look out for it. A few days later I received an email confirming my application had been successful.

I would recommend without reservation installing renewable heating technologies and the Domestic RHI to anyone who is in a position similar to mine, the technologies available today reduce harmful emissions and the grants available make them financially viable.

How to find out more:

Twitter: @AskDomesticRHI

www.ofgem.gov.uk/domestic-rhi