

Domestic Renewable Heat Incentive Quarterly Report

Update

www.ofgem.gov.uk/domestic-renewable-heat-incentive

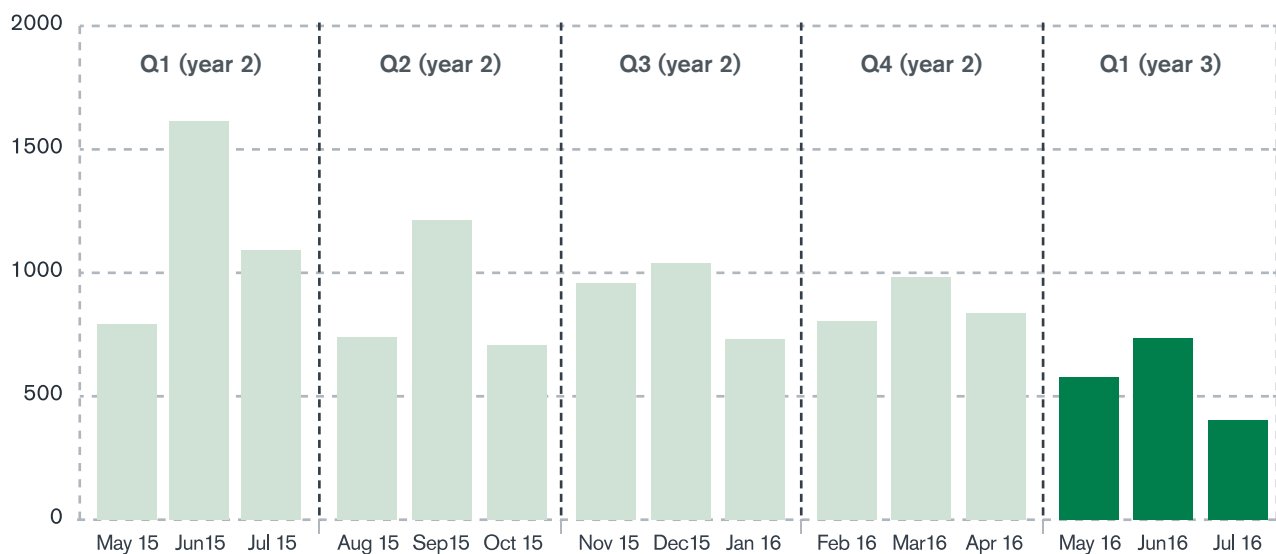
August 2016

Issue 9



The Domestic Renewable Heat Incentive (RHI) 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 Quarter 1 (year 3) of the Domestic RHI scheme, covering the period May 2016 to July 2016*

No. of accreditations



Quarterly accreditations	
Q1 May 15 - Jul 15	3,494
Q2 Aug 15 - Oct 15	2,661
Q3 Nov 15 - Jan 16	2,722
Q4 Feb 16 - April 16	2,617
Q1 May 16 - Jul 16	1,696

Accreditations made	
570 May - 16	398 July - 16
728 June - 16	1,696 Quarter Total

In total, we have made
50,394
accreditations since the launch of the scheme

*As per the Domestic Renewable Heat Incentives regulations, our quarterly reports cover the following periods:

- Q1:** May to July
- Q2:** August to October
- Q3:** November to January
- Q4:** February to April

Legacy* and new accreditations (cumulative)

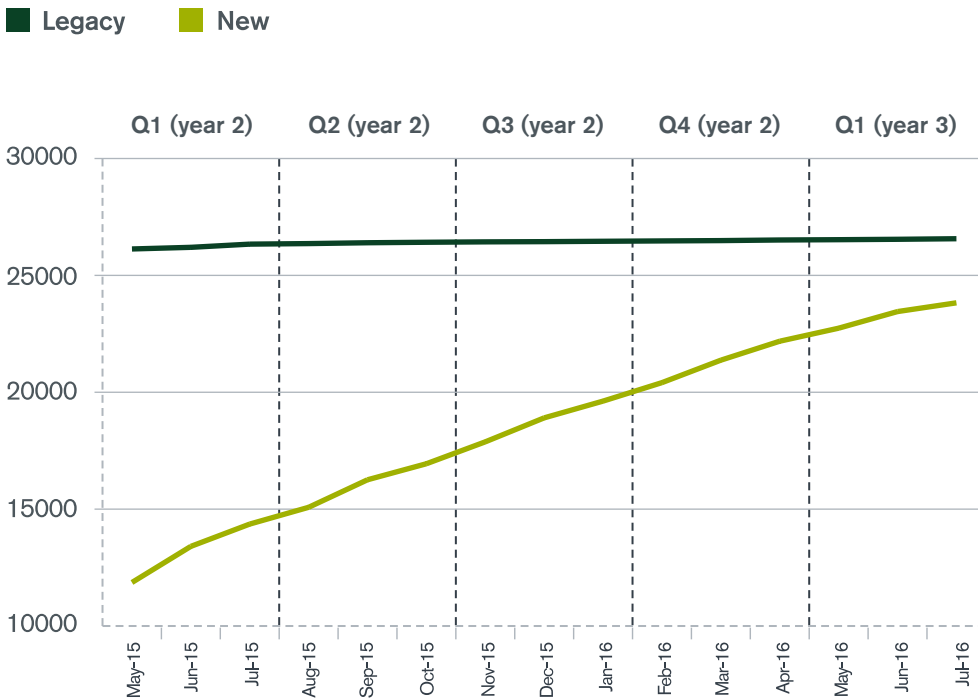
* The last date for legacy applicants to apply for Domestic RHI was 8 April 2015

Q1 (year 2)		Q2 (year 2)		Q3 (year 2)		Q4 (year 2)		Q1 (year 3)	
Legacy	New	Legacy	New	Legacy	New	Legacy	New	Legacy	New
223	3,271	80	2,581	42	2,680	55	2,562	54	1,642

Legacy accreditations are systems that were commissioned between 15 July 2009 when the RHI was first announced by DECC, and 9 April 2014 when the Domestic RHI scheme launched. New systems are those that were commissioned on or after 9 April 2014.

The application window for legacy applicants closed in April 2015.

Accreditations for new systems has declined by 15% since last year, the average number of accreditations for new systems has been 2,579 a quarter.



Legacy	
13	17
May-16	Jun-16
24	54
Jul-16	Quarter Total

New	
557	711
May-16	Jun-16
374	1,642
July	Quarter Total

In total we have made
26,568
 legacy accreditations since the launch of the scheme

In total we have made
23,826
 new accreditations since the launch of the scheme

Payments made to date



£65.7
million

Biomass



£29.7
million

Ground Source Heat Pump



£19.7
million

Air Source Heat Pump



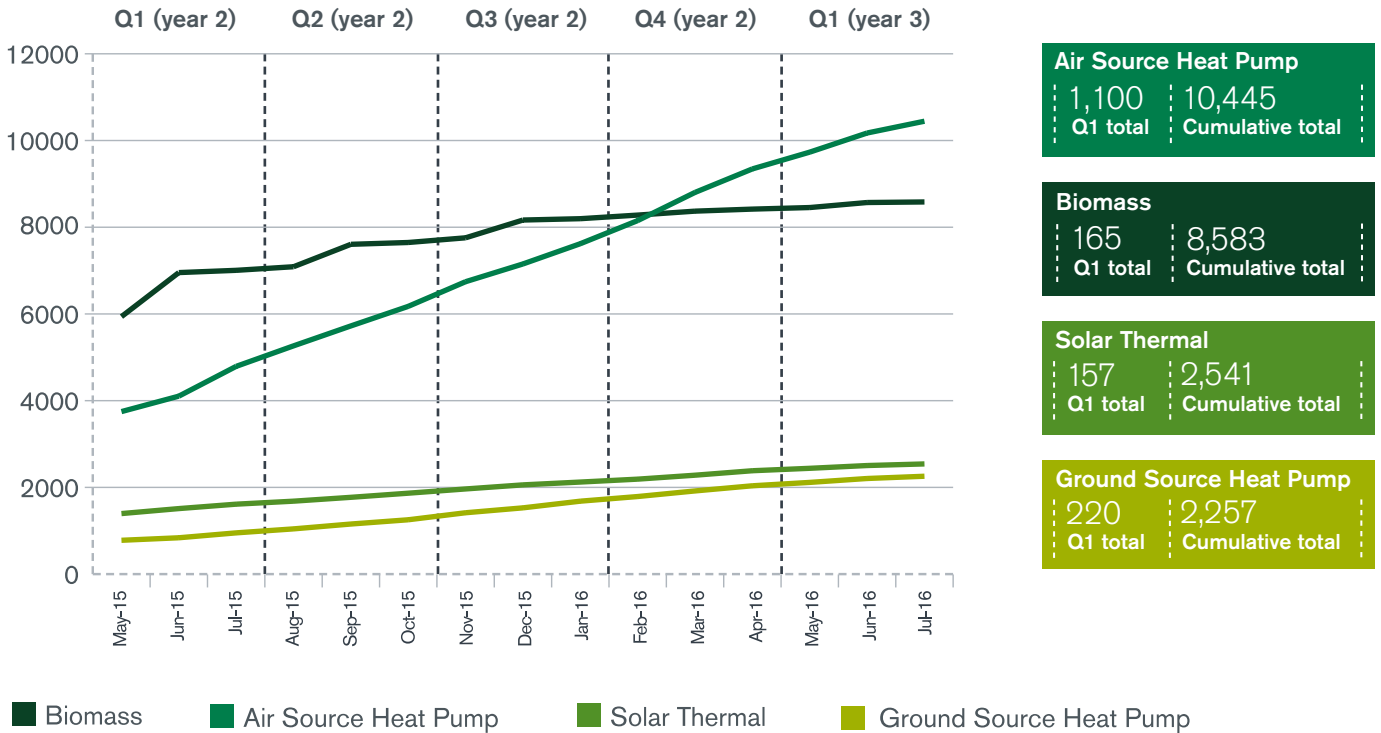
£3.1
million

Solar Thermal

Accreditations by technology for new applications

The graph below shows the cumulative number of accreditations made per technology type for new systems only (systems commissioned on or after 9 April 2014). Degressions to the biomass tariff occurred every 3 months from January 2015 to January 2016. This caused a spike in applications in the run up to these changes which decreased in scale each time. This is shown by the slightly uneven biomass line. The total number of new accredited systems for air source heat pumps have continued to exceed those for biomass systems since March.

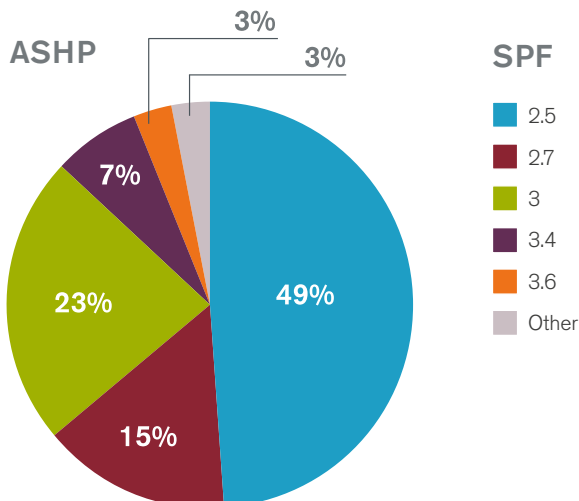
New Accreditations (cumulative)



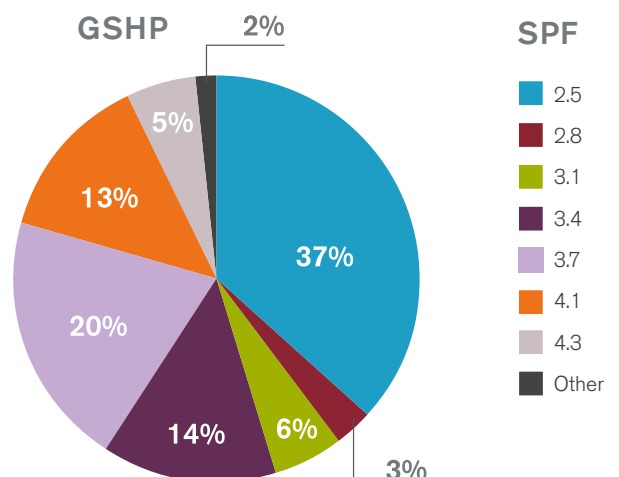
Seasonal Performance Factors (SPFs)

The 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.

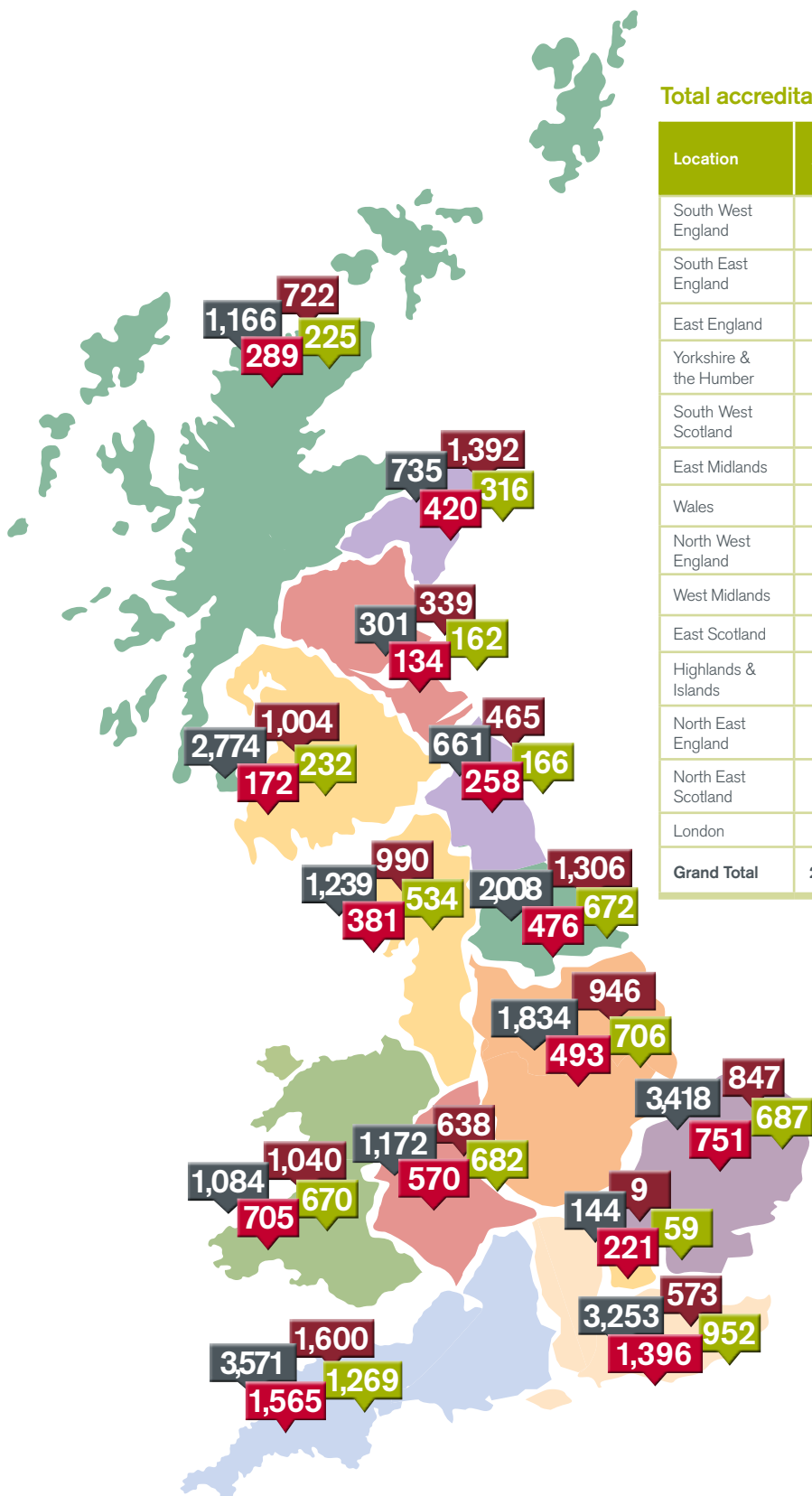
ASHP Seasonal performance factors (SPFs)



GSHP Seasonal performance factors (SPFs)

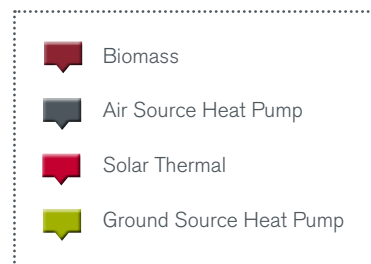


Regional distribution of accreditations



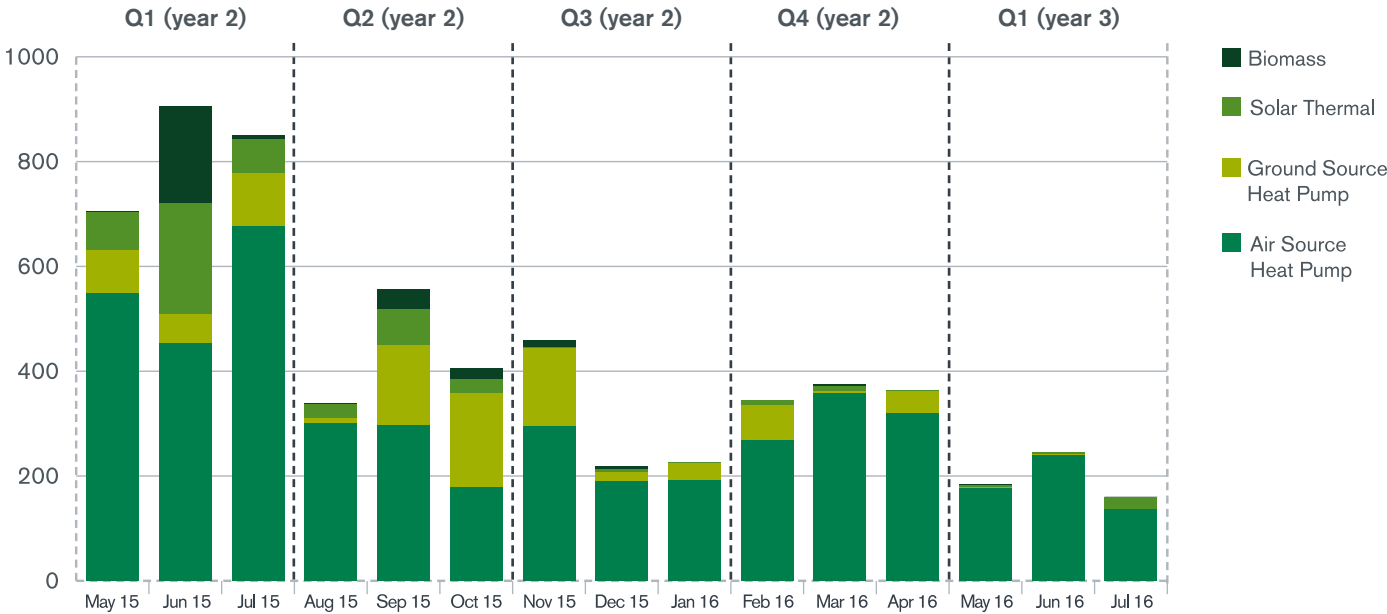
Total accreditations per region (upto July 2016)

Location	ASHP	Biomass	GSHP	Solar Thermal	Grand Total	% increase from Q4
South West England	3,571	1,600	1,269	1,565	8,005	2.8
South East England	3,253	573	952	1,396	6,174	3.1
East England	3,418	847	687	751	5,703	4.8
Yorkshire & the Humber	2,008	1,306	672	476	4,462	4.8
South West Scotland	2,774	1,004	232	172	4,182	4.5
East Midlands	1,834	946	706	493	3,979	3.5
Wales	1,084	1,040	670	705	3,499	4.4
North West England	1,239	990	534	381	3,144	4.6
West Midlands	1,172	638	682	570	3,062	2.7
East Scotland	735	1,392	316	420	2,863	3.2
Highlands & Islands	1,166	722	225	289	2,402	6.1
North East England	661	465	166	258	1,550	4.9
North East Scotland	301	339	162	134	936	4.7
London	144	9	59	221	433	4.6
Grand Total	23,360	11,871	7,332	7,831	50,394	3.9

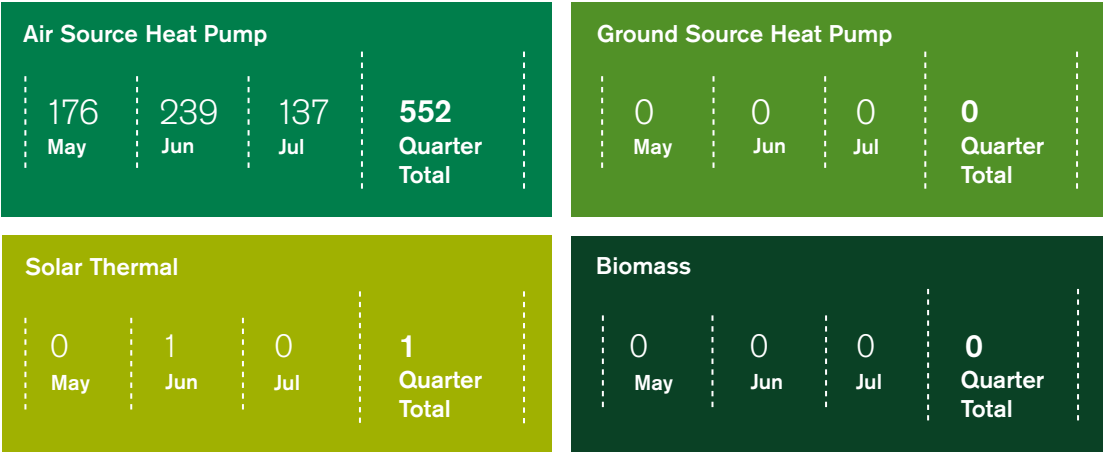


Registered Social Landlords (RSLs)

In addition to homeowners, Registered Social Landlords (RSLs) are also eligible to apply for the Domestic RHI. The large increase in RSL accreditations in February and March 2015 was due to a combination of the removal of Green Deal requirements for RSLs and the pending closure of the legacy application window. 52% of RSL accreditations are for legacy systems. In total, 10,488 accreditations have been made so far.



RSL accreditations (Q1)



We have made over
£4.36 million
 of payments to Registered Social Landlords to date.

Our
administration

87%

of applications last quarter received a decision within working 30 days

We use feedback from our applicants to continuously improve and streamline the application process. Our survey is sent to applicants where a decision has been made on their application, and we have received over 12,638 responses to date. Our results so far show:

7.4
10

Average satisfaction with the application process

7.6
10

Average satisfaction with the customer service received

We estimate that accredited systems will save over

3.4 MT of CO₂
OVER THE LIFETIME OF THE SCHEME

Since scheme launch, accredited systems have generated over:

970,240 MWh
OF RENEWABLE HEAT



If you have any questions about the content of this report, please let us know by emailing DRHIResolutions@ofgem.gov.uk

