

Domestic Renewable Heat Incentive Quarterly Report Update

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

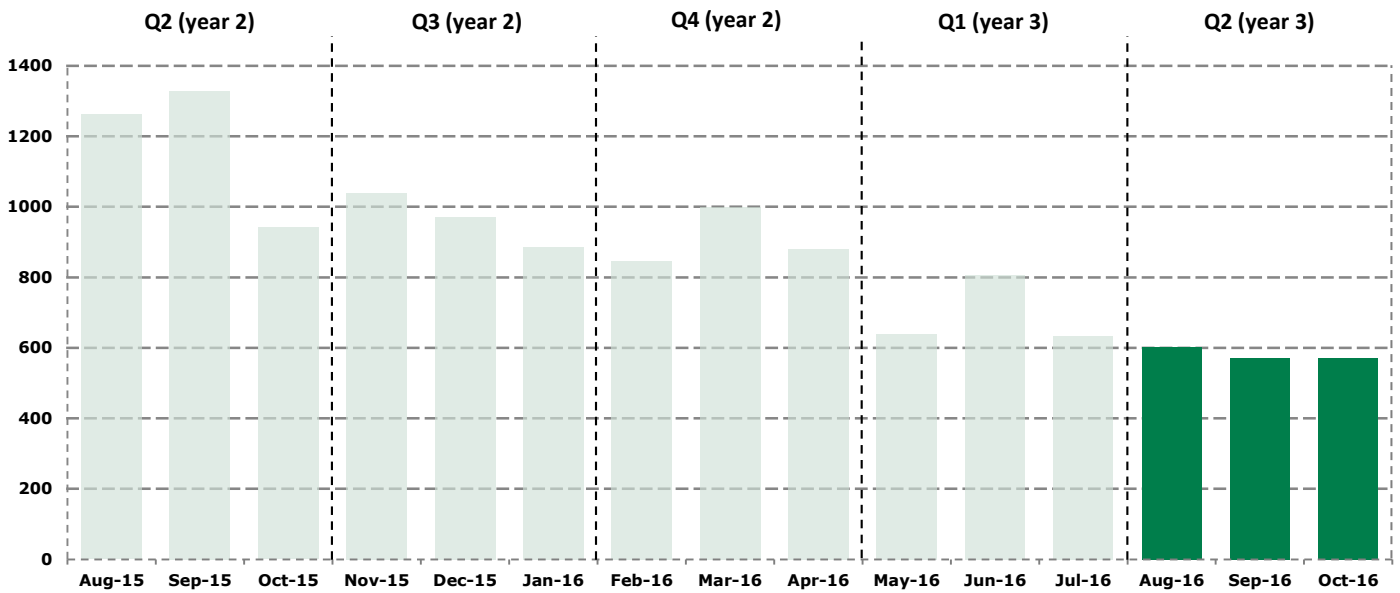
Oct 2016

Issue 10



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 2 (year 3) of the Domestic RHI scheme, covering the period Aug 2016 to Oct 2016.

No. of accreditations



Quarterly accreditations	
Q3 Nov 15 - Jan 16	2,897
Q4 Feb 16 - Apr 16	2,726
Q1 May 16 - Jul 16	2,080
Q2 Aug 16 - Oct 16	1,743

Accreditations made	
603 Aug 16	570 Sep 16
570 Oct-16	1,743 Quarter Total

In total, we have made
51,933
accreditations since the launch of the scheme

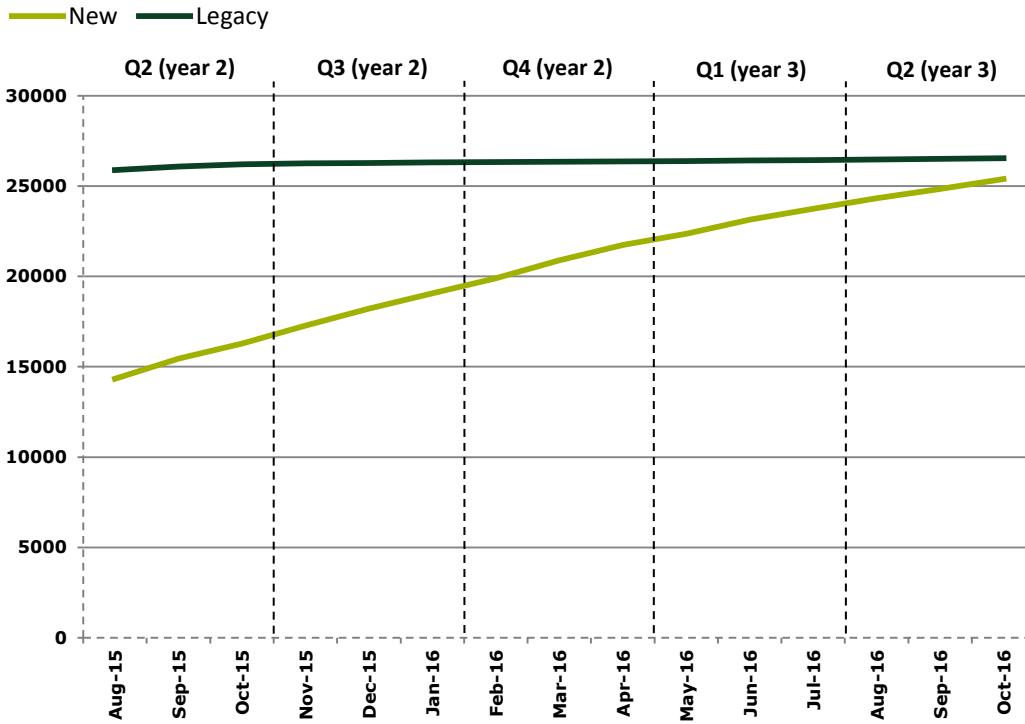
*As per the Domestic Renewable Heat Incentives regulations, our quarterly reports cover the following periods:

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

Legacy and new accreditations (cumulative)

Q2 (year 2)		Q3 (year 2)		Q4 (year 2)		Q1 (year 3)		Q2 (year 3)	
Legacy	New	Legacy	New	Legacy	New	Legacy	New	Legacy	New
736	2,795	107	2,790	60	2,666	69	2,011	95	1,648

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.



New applications for Q2 are 18% lower than Q1.

Legacy	
31	41
Aug-16	Sep-16
23	95
Oct-16	Quarter Total

New	
572	529
Aug-16	Sep-16
547	1,648
Oct-16	Quarter Total

In total, we have made
26,536
 legacy accreditations since the launch of the scheme

In total, we have made
25,397
 new accreditations since the launch of the scheme

Payments made to date



£77.4

million

Biomass



£35.3

million

Ground Source Heat Pump



£23.7

million

Air Source Heat Pump



£3.6

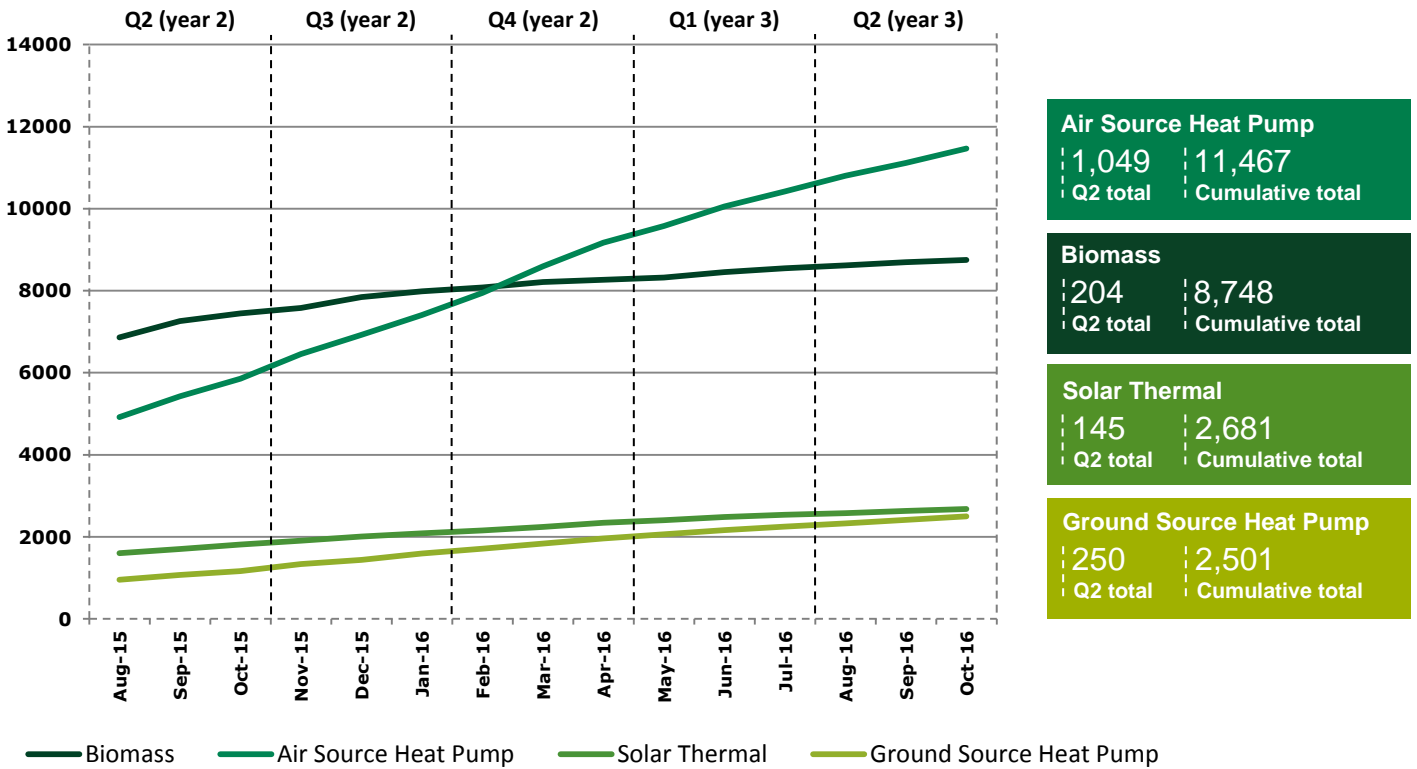
million

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 rise in applications in the run up to these changes, which decreased in scale each time. This is shown in the uneven biomass line prior to January 2016. The total number of new accredited systems for air source heat pumps has continued to exceed those for biomass systems since March.

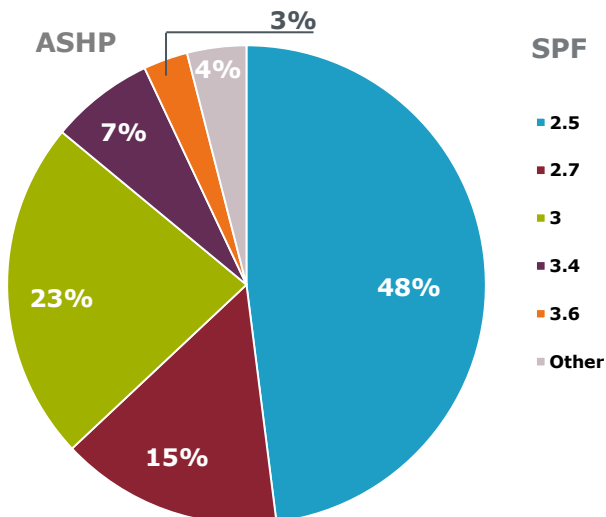
New Accreditations (cumulative)



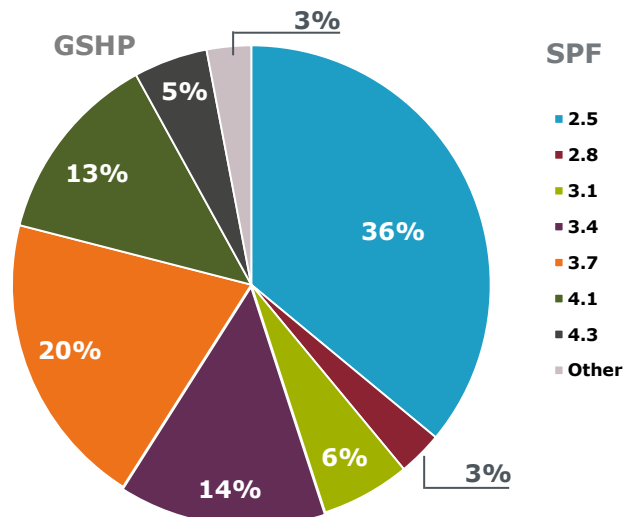
Seasonal Performance Factors (SPFs)

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.

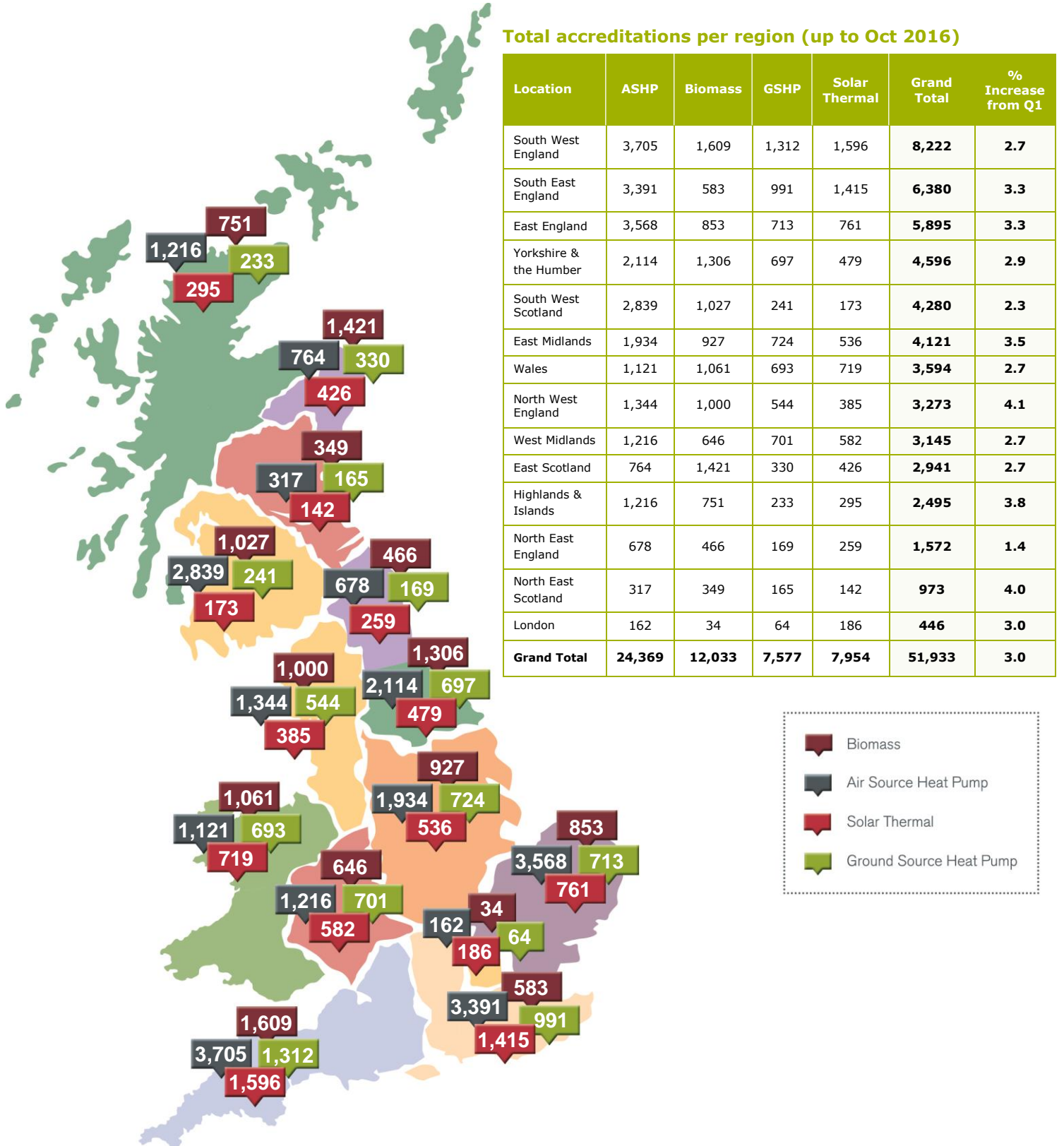
ASHP Seasonal performance factors (SPFs)



GSHP Seasonal performance factors (SPFs)

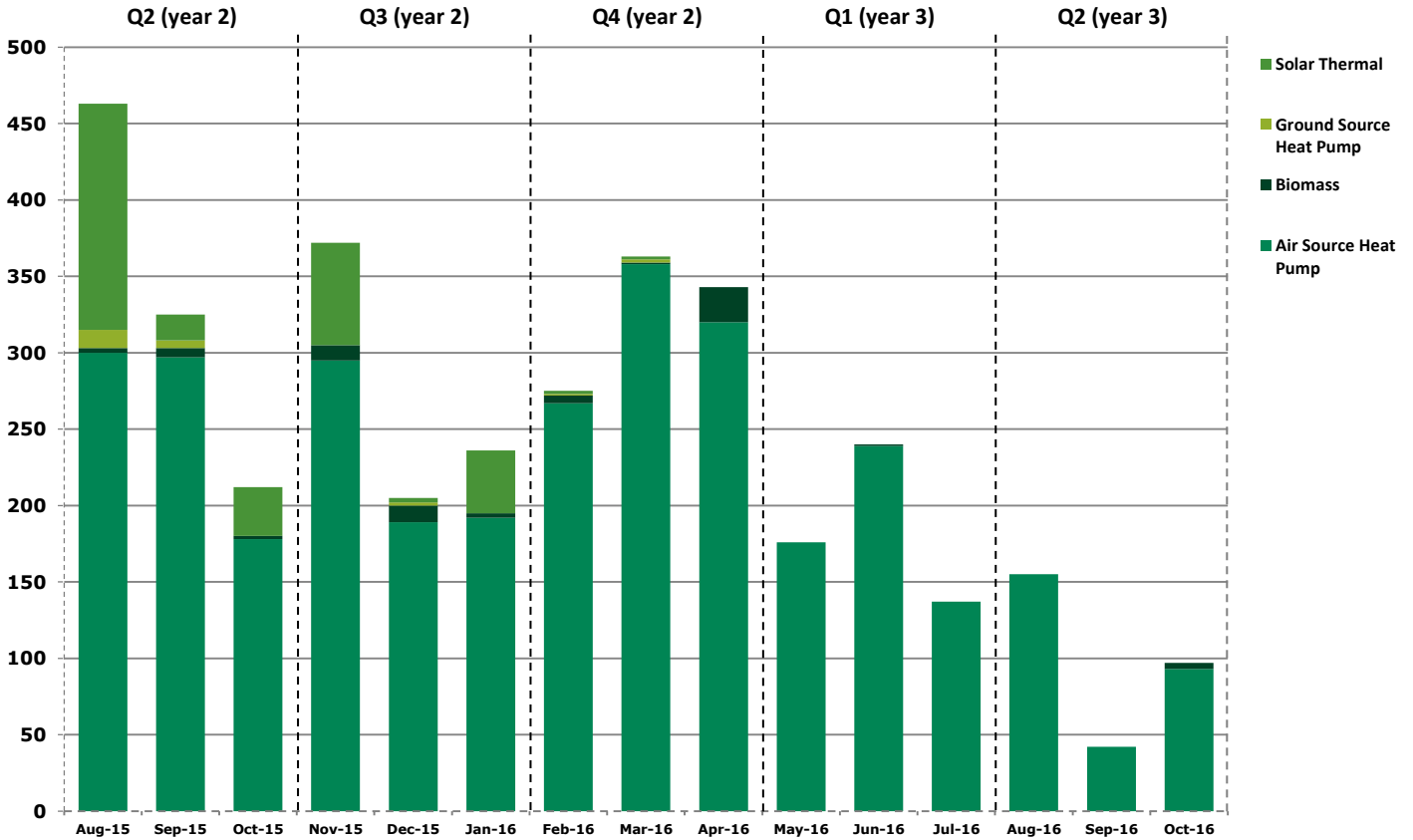


Regional distribution of accreditations

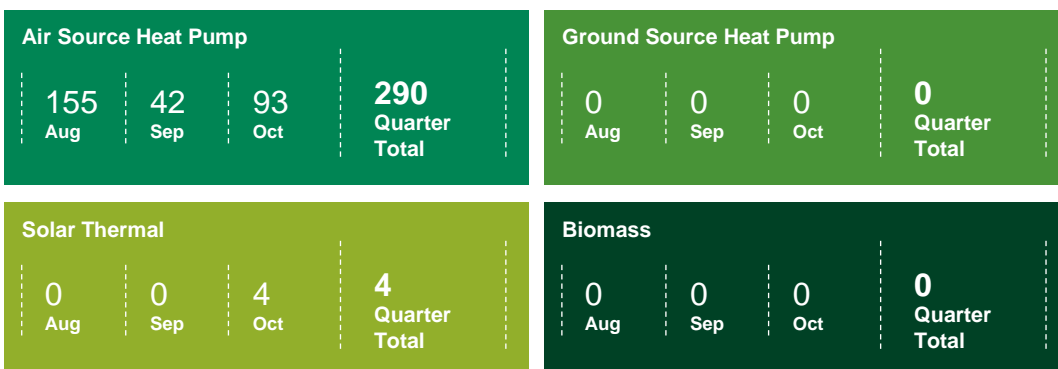


Registered Social Landlords (RSLs)

In addition to homeowners, Registered Social Landlords (RSLs) are also eligible to apply for the Domestic RHI. The removal of Green Deal requirements for RSLs and the pending closure of the legacy application window, created higher levels of applications in Q4 of year 1 leading to the high levels of accreditations shown in Q1 of year 2. In total 12,356 accreditations have been made to RSLs, 55% (6,751) of which relate to legacy systems.



RSL accreditations (Q4)



We have made over
£7.12 million
 of payments to Registered Social Landlords to date.

Our
Administration

80%

of applications last quarter
received a decision within
working 30 days

77% Overall satisfaction score for customer survey

We estimate that accredited systems will save over

3.5 MT of CO₂

OVER THE LIFETIME OF THE SCHEME

Since scheme launch, accredited
systems have generated over:

1,273,055.4 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

