Non-Domestic Renewable Heat Incentive (RHI)

Quarterly newsletter

April 2017

Issue 21



Dear Stakeholder

Welcome to your latest quarterly update on the Non-Domestic Renewable Heat Incentive (RHI).

In December, the Government announced changes to the RHI. These changes were expected to come into force in spring/summer this year, depending on approval from Parliament. In this issue, we'll give you an overview of what you can expect. We'll update you with more information on the changes in a future edition of the newsletter.

Accreditations update

Between January and March 2017, we accredited 555 full applications and 7 preliminary applications. Over the same period we also registered 7 biomethane producers.

This brings the total to 16,589 accredited installations and 73 registered producers of biomethane in Great Britain.

View latest quarterly figures

Quick Links

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News in brief



Forthcoming changes to the RHI regulations

The Renewable Heat Incentive (RHI) reform regulations were expected to come in to force in spring/summer 2017. However, the announcement of the election in June means that the RHI reform regulations cannot be laid before Parliament and come into force this side of the election. Post the election the regulatory reforms will also be subject to clearance by new ministers. We are unable to specify any further details at this time until we are provided with further information from the Department for Business, Energy and Industrial Strategy (BEIS). Until the regulation reforms are introduced the RHI remains open and continues as usual. In the meantime, here is an overview of the proposed changes concerning tariff guarantees, heat pumps and feedstock requirements.

Feedstock requirements

All new biogas installations producing biogas from anaerobic digestion and all new biomethane producers injecting biomethane derived from biogas that was produced by anaerobic digestion will be subject to feedstock requirements. These installations will be required to produce at least half their total biogas (by energy content) from wastes and residues in order to receive support for all their production each year. Affected installations will need to provide calculations for the proportion of biogas derived from consignments of feedstock that are not classified as wastes or residues.

Heat Pumps

Applications for ground source heat pumps or water source heat pumps with more than 1 heat pump will be classed as shared ground loop systems from when the regulations come into force. Single heat pumps on a shared ground loop that are located in and are providing heat to a single domestic premises will receive payments based on the deemed heat demand of the property, as on the domestic scheme. All other heat pumps on the shared ground loop will receive payments based on metering.

Tariff Guarantees

Tariff guarantees will allow applicants to secure the tariff before commissioning their plant as part of their application, subject to meeting strict eligibility criteria. These technologies will be eligible for a tariff guarantee: Deep geothermal and biomethane - all capacities; Large biogas – 600kWth and above; Large solid biomass and solid biomass contained in waste – 1MW and above; New solid biomass Combined Heat & Power – all capacities; Ground and Water

Source Heat Pumps – 100kW and above, including shared ground loop systems. Information on how to apply will be covered in a future issue.

Other news and updates

Top 5 tips on using the Non-Domestic RHI Register

- 1. Remember to save your application if you want to pause and return to it to ensure that your information is saved
- 2. When amending your application, click through all the way to the declaration page and click 'Submit' when you've completed your changes. This will ensure that your application is with our reviewers
- 3. Make sure that all your documentation uploaded to the register is in PDF format
- 4. If necessary, you can disable an Additional User's access to the RHI Account by clicking the 'Disable' button next to their name
- 5. If you need to correct an error on the metering grid, remember to use the 'Edit' button to amend your previously entered details unless you are specifically advised to take different action by a reviewer

For further information see our <u>RHI Register External User</u> Guide

Important information about your bank details

As part of our commitment to Customer Service, we have now introduced a new online system to enable Applicants to enter their bank details online so that we can verify them through a third party. Participants will also be able to change their bank details through the Register. Please note, it is important that you do not give your password and login details to anyone as the information will be held in the system. More information is available in our External User guide.

Tariff rate change

Tariff rates are adjusted annually, in line with the relevant price index; Consumer Price Index (CPI) and Retail Price Index (RPI). The rates are set by the Department for Business, Energy and Industrial Strategy. Participants who submitted their applications before 1 April 2016 have their tariffs adjusted in line with the RPI. Participants who submitted on or after 1 April 2016 have their tariffs adjusted in line with the CPI. You can check your tariff rates on the Ofgem website.

Thinking of applying to the scheme?

See our Easy Guide to applying for the Non-Domestic RHI

How to check your metering correctly

See our <u>Easy Guide to</u> Metering Requirements

Future events

Come and meet us

Ofgem E-Serve will be attending a number of events in the next couple of months. Look out for our stand at All Energy and edie Live.

If you are going to one of these events and have a query about the Non-Domestic Renewable Heat Incentive, or want to find out more about the other schemes we administer, please come and speak to us.

10- All Energy SECC, Glasgow 11 Find out more

May

23- edie LiveNEC, Birmingham24 Find out more

May

About the Non-Domestic RHI

The Non-Domestic Renewable Heat Incentive (RHI) is a government environmental scheme that provides financial incentives to increase the uptake of renewable heat. The scheme supports industrial, commercial, public sector, and not-for-profit organisations by making incentive payments to eligible renewable heat generators and producers of biomethane in Great Britain.

Ofgem administers the GB scheme on behalf of government and provides quarterly reports as part of its statutory obligations.

For more information visit the Non-Domestic RHI web pages on Ofgem's website.