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Domestic Renewable Heat Incentive Quarterly Report

Update

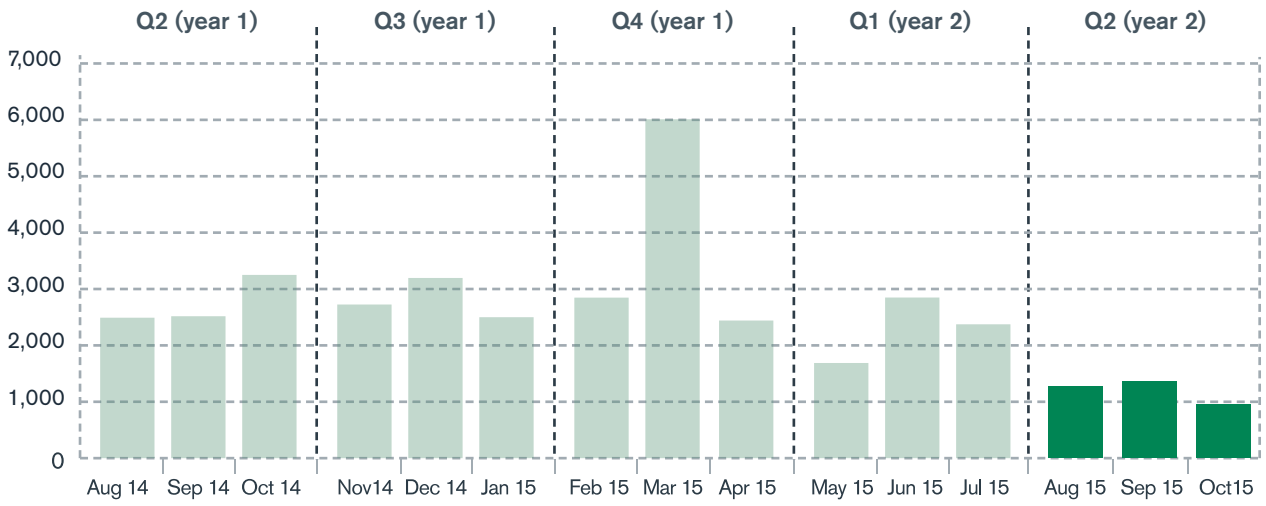
www.ofgem.gov.uk/domestic-renewable-heat-incentive

November 2015

Issue 6

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 2) of the Domestic RHI scheme, covering the period August 2015 to October 2015*

No. of accreditations



Quarterly accreditations

Q2	Aug 14 - Oct 14	8,258
Q3	Nov 14 - Jan 15	8,421
Q4	Feb 15 - Apr 15	11,298
Q1	May 15 - Jul 15	6,911
Q2	Aug 15 - Oct 15	3,589

Accreditations made

1,276 Aug - 15	956 Oct - 15
1,357 Sept - 15	**3,589** Quarter Total

In total, we have made

43,202

accreditations since the launch of the scheme

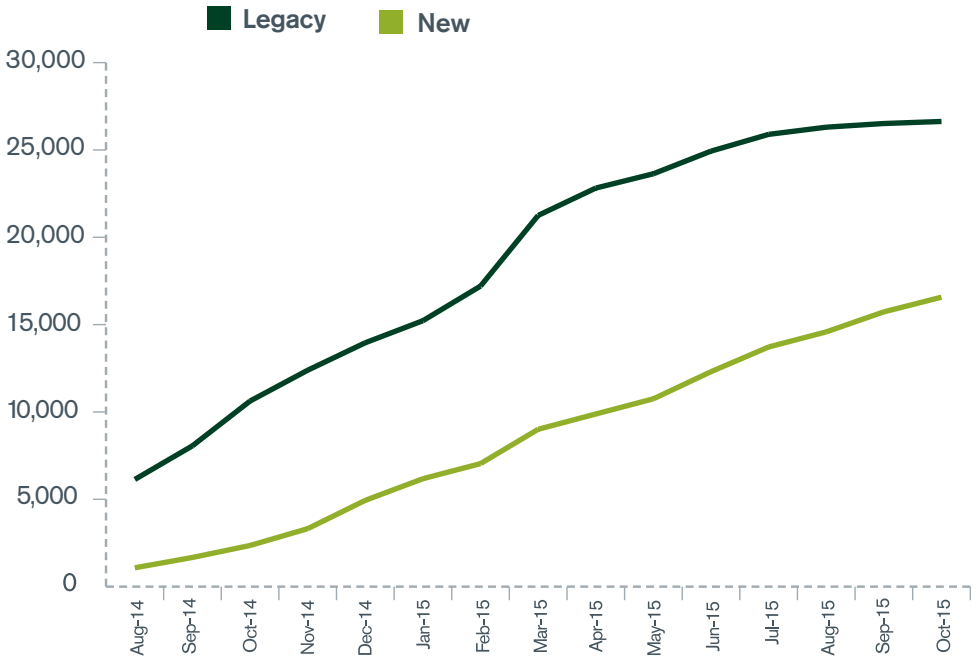
*As per the Domestic Renewable Heat Incentives regulations, our quarterly reports cover the following periods:

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

Legacy* and new accreditations

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

Q2		Q3		Q4		Q1		Q2	
Legacy	New	Legacy	New	Legacy	New	Legacy	New	Legacy	New
6,551	1,707	4,599	3,822	7,593	3,705	3,074	3,837	739	2,850



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. We saw an influx of new biomass applications in the run up to 1 October 2015, when the biomass tariff degressed, however this increase was not as substantial as previous degression periods.

Although the application window for legacy applicants closed in April 2015, some legacy applications are still in the process of being reviewed. Therefore, there continues to be a small increase in legacy accreditations made in quarter 2.

Legacy

412 Aug-15	210 Sep-15
117 Oct-15	**739** Quarter Total

New

864 Aug-15	1,147 Sep-15
839 Oct-15	**2,850** Quarter Total

In total we have made **26,631** legacy accreditations since the launch of the scheme

In total we have made **16,571** new accreditations since the launch of the scheme

Payments made to date

£30.9 million
Biomass

£13.8 million
Ground Source Heat Pump

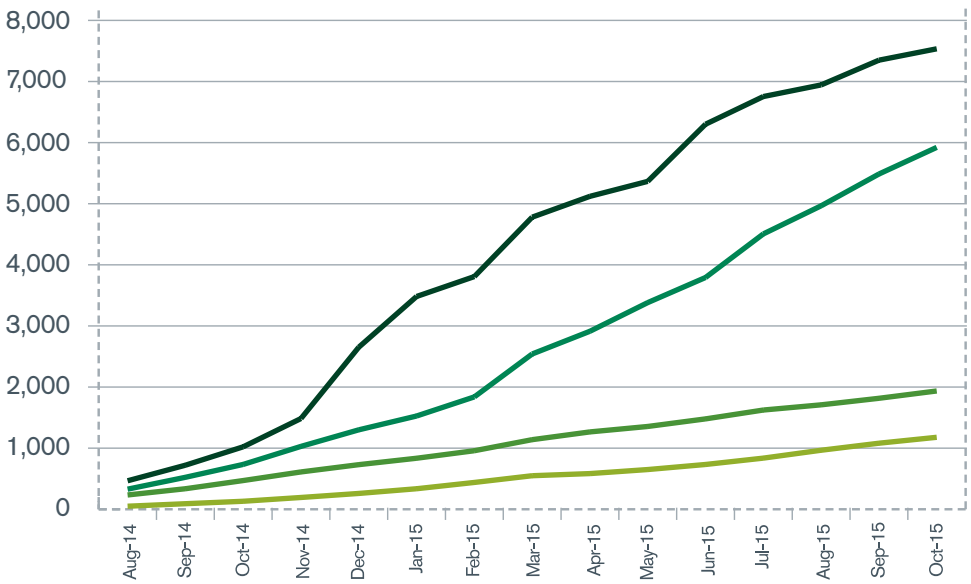
£9.0 million
Air Source Heat Pump

£1.6 million
Solar Thermal

Accreditations by technology

The graph below shows the cumulative number of accreditations made per technology type for new systems. Degressions to the biomass tariff in January, April, July and October 2015 caused a surge in applications in the run up to these changes. This is shown by the slightly uneven biomass line.

New Accreditations (cumulative)



Biomass
781 Q2 total | 7,535 Cumulative total

Air Source Heat Pump
1416 Q2 total | 5,922 Cumulative total

Solar Thermal
312 Q2 total | 1,936 Cumulative total

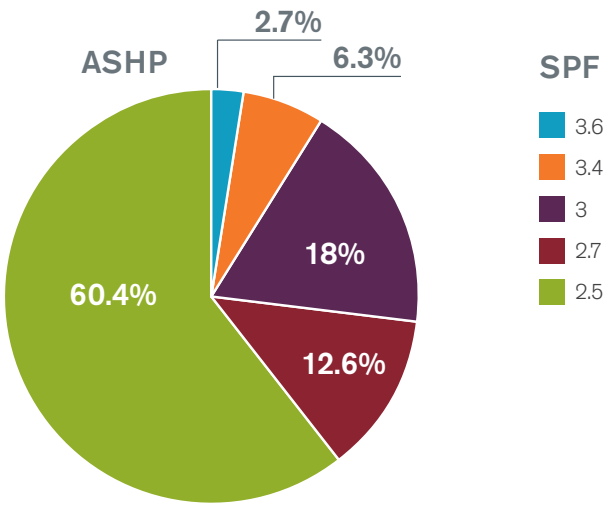
Ground Source Heat Pump
341 Q2 total | 1,178 Cumulative total

Biomass · Air Source Heat Pump · Solar Thermal · Ground Source Heat Pump

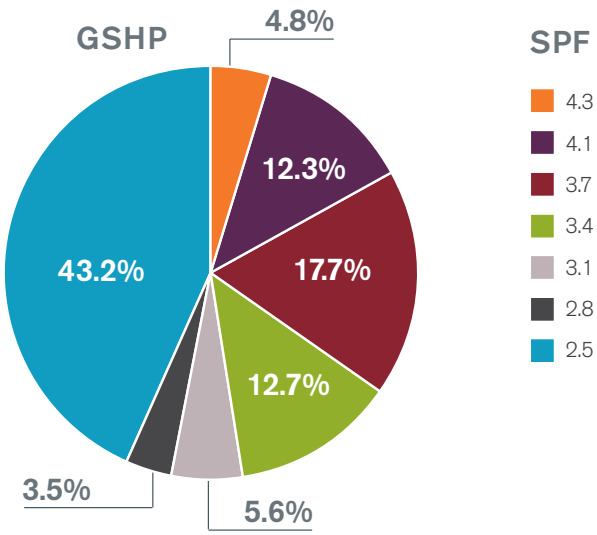
Seasonal performance factors (SPFs)

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.

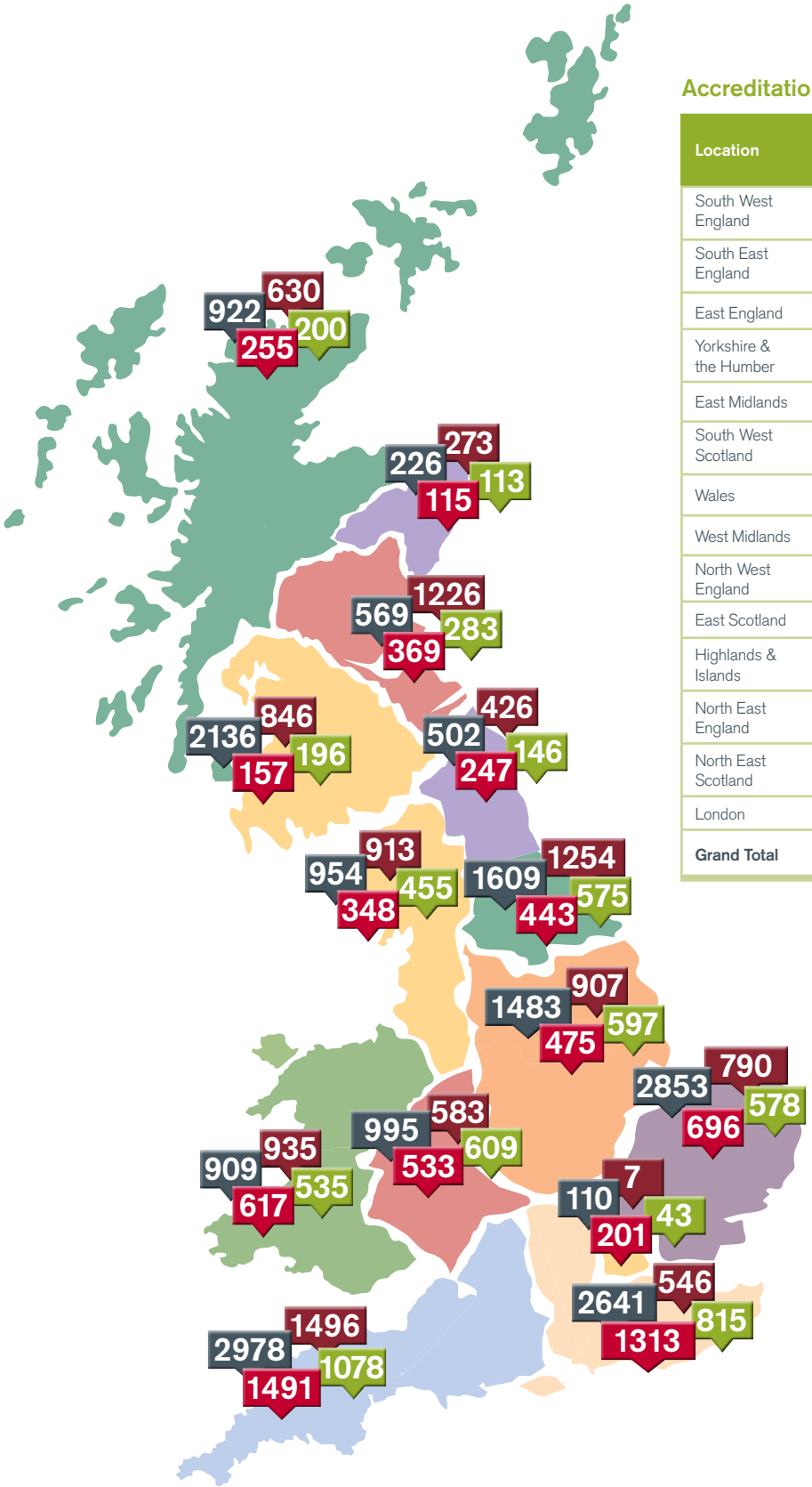
ASHP Seasonal performance factors (SPF)



GSHP Seasonal performance factors (SPF)



Regional distribution



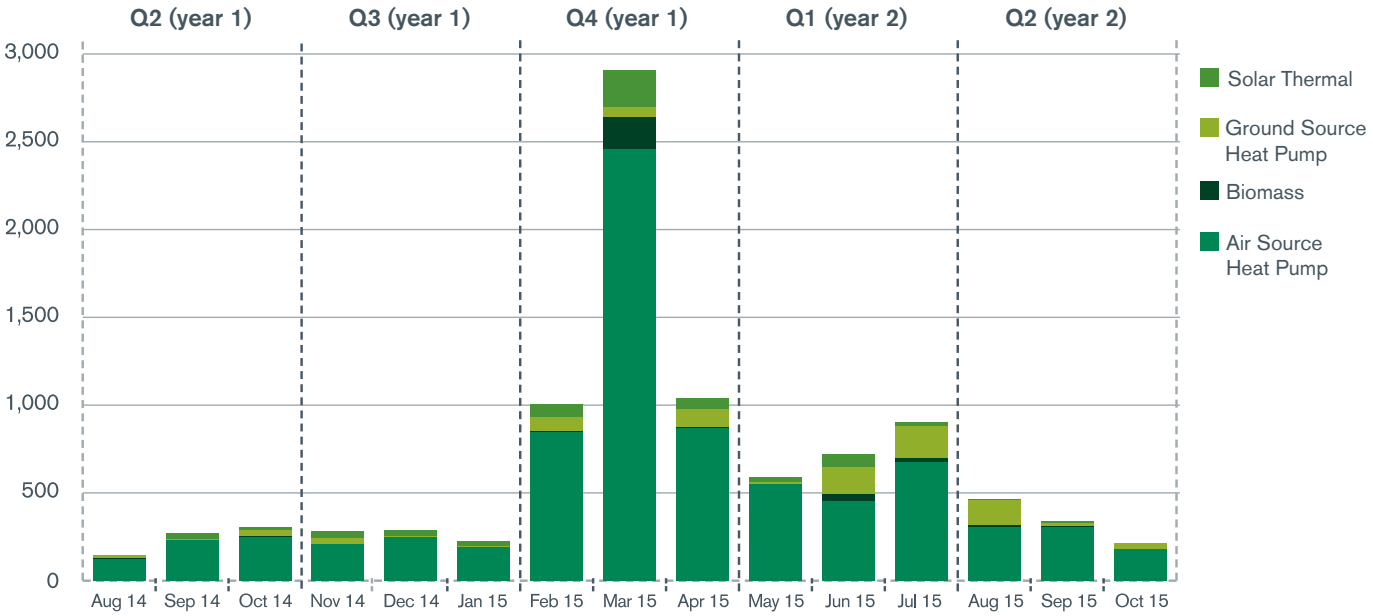
Accreditations per region (to date)

Location	ASHP	Biomass	GSHP	Solar Thermal	Grand Total
South West England	2,978	1,496	1,078	1,491	**7,043**
South East England	2,641	546	815	1,313	**5,315**
East England	2,853	790	578	696	**4,917**
Yorkshire & the Humber	1,609	1,254	575	443	**3,881**
East Midlands	1,483	907	597	475	**3,462**
South West Scotland	2,136	846	196	157	**3,335**
Wales	909	935	535	617	**2,996**
West Midlands	995	583	609	533	**2,720**
North West England	954	913	455	348	**2,670**
East Scotland	569	1,226	283	369	**2,447**
Highlands & Islands	922	630	200	255	**2,007**
North East England	502	426	146	247	**1,321**
North East Scotland	226	273	113	115	**727**
London	110	7	43	201	**361**
Grand Total	**18,887**	**10,832**	**6,223**	**7,260**	**43,202**

Biomass
Air Source Heat Pump
Solar Thermal
Ground Source Heat Pump

Registered Social Landlords

In addition to homeowners, Registered Social Landlords (RSLs) are also eligible to apply for the Domestic RHI. From June 2014 onwards, when the first RSL accreditation was made, the number of RSL accreditations has increased substantially. In total, 9,776 RSL accreditations have been made so far. The surge in RSL accreditations in February and March 2015 was largely due to the removal of Green Deal requirements for RSLs.



RSL accreditations

Air Source Heat Pump

Aug	Sept	Oct	Quarter Total
302	307	180	**789**

Biomass

Aug	Sept	Oct	Quarter Total
12	5	0	**17**

Ground Source Heat Pump

Aug	Sept	Oct	Quarter Total
148	17	32	**197**

Solar Thermal

Aug	Sept	Oct	Quarter Total
3	6	2	**11**

We have made over

£1.1 million

of payments to Registered Social Landlords to date.

Our administration

81% of applications receive a decision within 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 11,500 responses to date. Our results so far show;

+41.3% Our Net Promoter Score (NPS) for the last quarter

The NPS is calculated by asking our applicants how likely they would be to recommend the Domestic RHI application process to others. We then take the percentage of applicants who score us **9** or **10 out of 10,** and subtract the percentage of applicants who score us **1 to 6 out of 10.**

7.3/10 average satisfaction with the application process

7.4/10 average satisfaction with the customer service received

8.0/10 likelihood to recommend the Domestic RHI based on the application process

We estimate that accredited systems will save over

2.9 MT of CO_2

OVER THE LIFETIME OF THE SCHEME

92.5%

of calls are answered within

20 SECONDS

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