Non-Domestic Renewable Heat Incentive (RHI)

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Easy guide to the Non-Domestic RHI

What is it?

The Non-Domestic Renewable Heat Incentive (RHI) is a government environmental programme that provides financial incentives to increase the uptake of renewable heat. Broadly speaking the Non-Domestic RHI makes regular payments for 20 years to scheme participants that generate and use renewable energy.

Traditionally, we've relied on fossil fuels for heating and hot water, but by changing to renewable sources, the RHI scheme can help the UK reduce its carbon emissions.

This guide is only intended as a general introduction to the scheme. For more detailed information on whether you are eligible, and how to apply to the scheme, please refer to our main guidance, as well as the Easy Guides at the end of this document.

RHI Guidance Volume 1: Eligibility and How to Apply RHI Guidance Volume 2: Ongoing obligations and payments



Who is it for?

The Non-Domestic RHI is for industrial, commercial, public sector and not-for-profit organisations. These include, for example, businesses, hospitals, schools, and district heating schemes such as in the case of where one boiler serves multiple homes.

Eligibility overview

Eligible technologies

The technologies currently covered by the scheme are:

- solid biomass
- Combined Heat and Power (CHP) systems for solid biomass, waste, geothermal and biogas
- solid biomass contained in waste
- heat pumps (ground source, water source and air-to-water)
- solar thermal
- geothermal
- biomethane
- biogas.

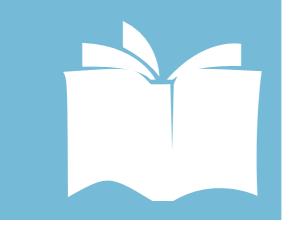
Key eligibility criteria

- applicant must be the owner of the installation
- equipment installed and first commissioned on or after 15 July 2009
- air to water heat pumps, biogas installations with a capacity of more than 200kW and solid biomass CHP installations must be commissioned on or after 4 December 2013
- · equipment must be new at time of purchase
- if a grant from public funds has been received, it generally needs to be repaid in most circumstances (refer to the guidance for more information)
- medium of heat transfer must be liquid or steam, i.e. no direct air heating
- for solid biomass, heat pumps and solar thermal, the installation must be MCS or equivalent EN45011 or ISO 17065 accredited if installed capacity is 45kWth
- the metering arrangements must be correct the right type of meters calibrated and placed in correct locations
- · you can't use the equipment to heat a single domestic property

Eligible heat uses

- In an enclosed building for: heating a space, heating water, carrying out a process (excluding some uses such as waste processing).
- Other than in a building for: commercial/industrial cleaning or drying (excluding drying digestate, drying wood-fuel and drying waste).

For more information detailed about eligibility, see the <u>Easy Guide to Eligibility,</u> as well as <u>RHI Guidance Volume 1:</u> Eligibility and How to Apply.



Becoming a participant

This shows a high-level process for an applicant and then as a scheme participant after accreditation. All applications are subject to the detailed scheme rules.

| Scheme applicants | | | | |
|-------------------|---|---|---|--|
| 1 | Owner decides to install a renewable heating system. | 4 | Owner uses the guides to prepare in advance and gathers all evidence and documents required for an application. | |
| 2 | Owner and installer understand the Non-domestic RHI eligibility requirements. | 5 | Owner completes the online application form on the Ofgem website and provides all supporting evidence and documents required. | |
| 3 | Owner and installer plan for the RHI requirements as part of the design and installation process. | 6 | Ofgem accredits the installation (subject to the rules) and the owner becomes an RHI scheme participant. | |

Scheme participants

| 1 | Owner regularly submits meter readings and periodic data. | 3 | Owner is aware of their responsibilities to remain compliant with the scheme and signs an annual declaration. |
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| 2 | Ofgem makes regular financial incentive payments. | 4 | Ofgem selects installations for audits and inspections on an ongoing basis. |

The application process

What helps speed it up?

Advance preparation is important. Make good use of our guide material before going online to complete your application. Don't miss our <u>Easy</u> <u>Guide to Applying for the Renewable Heat</u> <u>Incentive</u> and our <u>How to Apply</u> web pages.

What slows it down?

Our observations have shown that errors and misunderstanding occur most when people try and complete the application form without having referred to the RHI Guidance. They're unprepared for the technical questions and don't have the documents that we need as evidence to verify whether they meet the eligibility requirements of the scheme. In those cases the application process can be stop/start and frustratingly slow.



Keeping compliant

You've prepared properly, submitted your application form and all supporting evidence, and received official confirmation from us that you've been accredited onto the scheme. Now you have to fulfil your responsibilities to make sure you keep compliant with the scheme rules. We call these your 'ongoing obligations' and they include:

- submitting meter readings and periodic data to us regularly in order to receive your RHI payments
- starting a fuel log and keeping fuel purchase receipts if you have a biomass installation
- if you have a biomass or biogas installation, or are a biomethane producer, ensuring the fuel you use is sustainable and reporting on this quarterly
- maintaining and servicing the equipment as per manufacturer instructions and keeping a log and maintenance/service receipts
- informing us of any change to your installation
- signing and submitting an annual declaration.



For more about your responsibilities see our <u>Easy Guide to Compliance</u> and <u>RHI Guidance Volume 2: Ongoing</u> <u>obligations and payments</u>.

Easy Guide Series

Easy Guide to Eligibility Easy Guide to Applying Easy Guide to Metering Requirements Easy Guide to Compliance Easy Guide to Periodic Data Submissions Easy Guide to Sustainability Easy Guide to Heat Pumps Easy Guide to Shared Ground Loops Guide to Tariff Guarantees

This Easy Guide is applicable to applicants and participants on the GB Non-Domestic scheme. If you're an applicant or participant on the Northern Ireland Non-Domestic scheme then please refer to the <u>Northern Ireland Renewable</u> <u>Heat Incentive</u>.

Contact us

Help is at hand if you need it. Our enquiries staff are experts on the RHI and can provide further information. Telephone: 0300 003 2289 Email: rhi.enquiry@ofgem.gov.uk RHI enquiry line open Monday to Thursday 9am-5pm and 9am-4.30pm on Fridays. Note: Calls may be recorded.