

Non-Domestic Renewable Heat Incentive (RHI) Scheme

Non-Domestic RHI spring amendments

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Factsheet



What is the Non-Domestic Renewable Heat Incentive (RHI) Scheme?

Subject to parliamentary approval, we anticipate a number of changes will be made to the Non-Domestic Renewable Heat Incentive (RHI) in the next few months.

This factsheet highlights what we believe to be the key changes. We will provide further details as the regulations progress through the parliamentary process.

New technologies

The following technologies are eligible for the scheme:

- Support for air-source heat pumps. Only air-to-water heat pumps will be eligible; air-to-air heat pumps are not eligible for the scheme.
- Biogas capacity limits extended beyond 200kWh. Energy from waste will be extended to include industrial and commercial waste.

Eligibility of heat pumps

After the new regulations are introduced, applications submitted for ground-source and air-source heat pumps will be required to include the following:

- a design seasonal performance factor (SPF) of at least 2.5

- measurement of electrical input to calculate SPF and provide quarterly meter readings
- ground-source heat pumps capable of simultaneous heating and cooling will have to measure heat drawn from the ground and provide quarterly meter readings
- ground-source heat pumps capable of cooling must provide a capacity value based on the heating function only
- in addition to using naturally occurring energy in the form of heat, ground-source heat pumps will be able to, use heat from:
 - heat gathered and stored in the ground using solar collectors providing no other subsidy for this heat is being received
 - heat from space cooling or process cooling
 - waste heat from industrial processes

Biomethane registration

A number of amendments will be introduced which will affect biomethane producers applying to the scheme on or after the amendment regulations are introduced:

- provision to apply for additional capacity
- provision to apply for preliminary registration power for Ofgem to inspect equipment producing the biomethane or biogas from which the biomethane will be produced before registration.

Grants

The opportunity to repay a grant to be eligible for the scheme will be extended to all applicants. The amendment regulations will also allow, in certain circumstances, for grants to be repaid through tariff payment reductions.

Future developments: biomass sustainability

Legislation is being developed to introduce sustainability requirements for the RHI scheme. Subject to parliamentary approval, we understand that these changes will apply from autumn 2014 to both existing participants and new applicants. For existing participants this could impact any fuel that has or will be used until autumn 2014.

Introduction of domestic RHI scheme

The domestic RHI scheme opened on 9 April 2014. Their regulations introduce an important amendment to the Non-Domestic regulations which will exclude accrediting an installation on the Non-Domestic RHI scheme if an installation:

- has been an accredited domestic plant
- has applied for the domestic scheme and has not been withdrawn by the applicant or rejected by Ofgem
- provides heat to the same property as an accredited domestic plant or a plant for which an application for accreditation on the domestic scheme has been made and neither withdrawn or rejected.

Contact us

Contact the Non-Domestic RHI team if you would like to apply for the scheme, if you require support with the application process, or if you have queries regarding the Spring Changes, progress of your application, the eligibility requirements or our published guidance.

telephone: **0845 200 2122** (call charges apply)

email: rhi.enquiry@ofgem.gov.uk
