

Renewable Heat Incentive

The Scheme:

Duration of Scheme: 20 years from date of accreditation of the system.

Location: England, Scotland and Wales.

The Government has announced that it will introduce the RHI on the 30th of September 2011 for commercial and public dwellings. Businesses will receive a fixed tariff for heat generation from a renewable energy system based on metering.

The domestic phase should start in late 2012. It has not yet been announced whether the revenues will be based on deeming or metering.

Eligibility:

- The plant must have been first commissioned and completely installed on or after the **15th of July 2009**.
- The plant was **new** at the time of installation.
- The plant must use **liquid or steam** to deliver heat to space, water and/or process.
- Heat generated must be used for an **eligible purpose**:
 - Heating a space
 - Heating water
 - Carrying out a process
- If any **grant** other than Premium Payments has been accorded to a plant after the 15th of July 2009, the applicant has to repay it before being eligible for RHI payments.
- The building(s) must be an **enclosed space** in order to be eligible for the RHI in a "permanent or long-lasting structure". This implies that the following are **not** eligible for the RHI: open air or partially enclosed swimming pools, underground heating of open external surfaces, heating of external surfaces to prevent frost or cold temperatures, heating of barns, tents or other temporary structures.

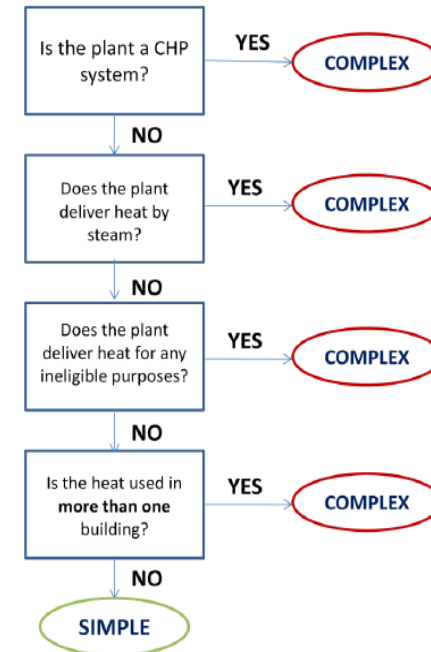
* The **first Tier** for biomass systems will be paid for the **first 1'314h** at which the plant will operate at the installed capacity in any 12 months period. The second one will be valid for all further heat generated.

Metering:

The tariffs will be paid **quarterly** by Ofgem through BACS from their start date once the installation is accredited for 20 years. The tariffs given on the table on the left are valid until the 31st March 2012. They will then be **adjusted annually** (from 1st April until 31st March the year after) with the RPI for the previous calendar year.

All different units in a plant must be **individually metered**. For two or more plants, a meter can be shared on the basis that the resource and technology are the same for all units, in which case the applicant will need **approval** from Ofgem. For these situations, the tariffs' start and end dates will be the same for each unit.

For complex systems, 2 meters will have to be installed to measure both the heat **generated** from the plant and the heat **used** in the buildings (refer to the diagram on the right for an explanation of complex systems). The revenues from the RHI will be calculated differently depending on the nature of the system.



Application Process:

Applications of any type are made via Ofgem's website: www.ofgem.gov.uk. All applications for accreditation **must be made in writing** to Ofgem and must be supported by:

- such of the information specified in **Schedule 1** as OFGEM may require: <http://www.legislation.gov.uk/ukdsi/2011/9780111512753/schedule/1>
- a declaration that the information provided by the applicant is **accurate** to the best of the applicant's knowledge and belief
- a declaration that the applicant is the **owner**, or one of the owners, of the eligible installation for which accreditation is being sought

We will guide you through the application process.
For more information, please do not hesitate to contact us.



Unit 20, Petteril Side,
 Harraby Green Business Park,
 Carlisle CA1 2SQ
 Tel: 0845 459 2053
Info@ecologicliving.co.uk
www.ecologicliving.co.uk

Tariff Name	Source of Energy or Technology	Installed Capacity	Tariffs (p/kWh)
Small commercial biomass	Solid biomass	<200kWth	Tier 1*: 7.9 Tier 2*: 2.0
Medium commercial Biomass	As above	≥200kWth <1MWth	Tier 1*: 4.9 Tier 2*: 2.0
Large commercial biomass	As above	≥1MWth	2.7
Small commercial heat pumps	Ground source heat pump, water source heat pump, deep geothermal	<100kWth	4.5
Large commercial heat pumps	As above	≥100kWth	3.2
All Solar collectors	Solar collectors	<200kWth	8.5
Biomethane and biogas combustion	Biomethane injection and biogas combustion	<200kWth	6.8