

## <u>12<sup>th</sup> July 2013</u> Summary of DECC Domestic RHI Announcement

Finally some news for all of you who have been waiting!

We have quickly read the newly released documents and the key points are:

- The scheme will be open to single domestic dwellings, where the renewable heating system has been installed since 15th July 2009.
- New build properties are not eligible, except in the case of self-build.
- Applicants must have a Green Deal Assessment carried out.
- The scheme is due to launch in Spring 2014 there will be a phased application period for legacy installations.
- The scheme is due to run until March 2021 (date for final applicants).
- The rate will be 12.2 pence per kilowatt hour for Biomass, and 19.2 pence for Solar Thermal.
- You can get an extra £200 per year if you fit a heat meter.
- The payments will be for 7-years quarterly in arrears, and will be linked to the Retail Price Index (RPI).
- The payments are designed to support and compensate for the difference in cost of installing and operating a renewable heating system vs. a fossil fuel system on the basis of 20-years heat produced.
- For biomass a "deeming" calculation will be used to estimate how much kWh your property requires per year, based on an Energy Performance Certificate (EPC).
- For solar thermal the payment will be on the kWh as per your MCS certificate (only takes into account solar thermal used for hot water, not systems used for space heating).
- Any previous public funding received for the system will be deducted from the RHI payments.
- The system installed must be MCS accredited at time of installation (so this limits systems to 45kW).
- You are fine to have another non-eligible heat source (e.g. an oil boiler), but in this case the output from the biomass system must be metered.
- You must use fuel from an "approved supplier", or wood that is grown on the same estate as the biomass system (self-certificated). An approved supplier list is due to be developed before the scheme launches in 2014.

These are just the summary items from the documents supplied by DECC today – please feel free to have a nosey at the full documents yourself – they can be found online: <a href="https://www.gov.uk/government/consultations/renewable-heat-incentive-proposals-for-a-domestic-scheme">https://www.gov.uk/government/consultations/renewable-heat-incentive-proposals-for-a-domestic-scheme</a>

We will continue to keep you up-to-date with further announcements as they are made.

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