DomesticRenewable Heat Incentive (RHI)

www.ofgem.gov.uk/domestic-rhi

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An introduction to the Domestic Renewable Heat Incentive scheme

For people considering or intending to apply

This factsheet is only a snapshot. For the full picture read our **Essential Guide for Applicants**

What is it?

The Domestic Renewable Heat Incentive (RHI) is a government financial incentive to encourage a switch to renewable heating systems. If you join and comply with the scheme rules, you'll receive quarterly payments for seven years. It's a way to help the UK reduce its carbon emissions.

The scheme is available for households both off and on the gas grid.

Those without mains gas have the most potential to save on fuel bills and decrease carbon emissions.

Is it for me?

Broadly speaking the Domestic RHI scheme is for heating systems for single homes. The starting point is that your renewable heating system is in a property capable of getting a domestic Energy Performance Certificate (EPC). The EPC is the proof we need that your property is assessed as a domestic 'dwelling'. Without one you can't apply and won't be able to join the scheme.

Depending on meeting the eligibility criteria anyone can apply. That includes people that own the homes they live in, private and registered social landlords and self-builders.

If those categories don't apply to you, you may want to find out more about the Non-Domestic RHI scheme. It's for renewable heating systems that are fitted in industrial, commercial or public premises. It also covers heating systems that heat more than one home, such as two houses or a block of flats. It has different eligibility requirements and a separate application process.

See our factsheet, <u>The Renewable Heat Incentive –</u> Domestic or Non-Domestic?



Heating systems

The eligible renewable heating system types for the Domestic RHI are:

- biomass only boilers and biomass pellet stoves.
- air source heat pumps.
- ground source heat pumps.
- solar thermal panels
 flat plate or evacuated tube only.

Solar thermal panels eligible for the scheme **only** provide hot water for your home.

Biomass and heat pump systems must provide space heating (heating rooms in a house) or space and water heating. Under the scheme rules, they have to heat the home using a 'wet' central heating system like radiators. Also hot water doesn't include water used to heat a swimming pool or any use which is not domestic hot water heating.

Current tariffs are shown on our website

Check your product

It's not enough just to have one of the types of renewable heating systems that are eligible for the scheme. The make and model must also meet specific technical requirements. Check your specific product is in the Product eligibility list. If it's not, you need to contact your installer to discuss next steps.

Domestic RHI and the Green Deal

Because renewable heating systems work best in a well insulated home, the Domestic RHI works alongside the Green Deal. It's a government backed initiative to help people make their homes more energy efficient.

Before applying to the Domestic RHI, you must first:

- have a Green Deal Assessment carried out for your property*. If you've already got one, you don't need another, provided you can supply the Green Deal Advice Report (GDAR) number. You will get an Energy Performance Certificate (EPC) as part of your GDAR...
- install loft and cavity wall insulation if it's recommended in the EPC. If it is not possible to do this, then you could submit evidence to us as part of your application. See <u>insulation exemption</u> in our reference document.
- get an updated EPC to verify you've installed the loft and cavity wall insulation.

*The only people exempt from having to carry out a Green Deal Assessment are RSLs, local authorities and those who build their own homes incorporating an eligible heating system. See custom-build in our website 'key terms' section.



If you intend to apply

- You must be the owner of an eligible heating system.
- You must own or occupy the property the renewable heating system is in.
- Your renewable heating system must be certified under Microgeneration Certification Scheme (MCS).
- No part of the renewable heating system used to produce heat may have been used before the first commissioning date (when your installer tested and signed off the system). The date's on the MCS certificate. Some parts of it are exempt from this requirement. See <u>relevant parts</u> in our reference document.
- The heating system must have been first commissioned on or after 15 July 2009.
 The date's on your MCS certificate.
- You must apply within 12 months of the commissioning date of the heating system, shown on the MCS certificate. The deadline is different if you installed your heating system before the scheme opened (9 April 2014). You must apply within the first year, ie before 9 April 2015.
- If you received the Renewable Heat Premium Payment (RHPP), we've staggered application dates because of the potentially large numbers. That way we can handle your application efficiently and make sure you get the best level of service. See our factsheet, Installed before Domestic RHI opening?
- If you received a public grant*, including the RHPP, towards the costs of your heating system, we'll deduct the amount from your Domestic RHI payments over the course of the seven years' payment lifetime. We won't deduct any loan which you have to pay back. To be eligible, you or a former owner must also have made a personal financial contribution to the purchase or installation costs.

The list above is only an overview. For more detail see our <u>Essential guide for applicants</u>.

Supplying proof

Your installer will register your renewable heating system and give you the MCS certificate for it.

To apply, you complete an online application form and supply:

- a MCS certificate number. This is at the top of the certificate and looks like:
 MCS 01234567-A
- an EPC number. This is at the top of your certificate and looks like: 1234-5678-9012-3456-7890. Make sure your EPC includes a heat load at the bottom.
- a Green Deal Advice Report number if applicable.
 This is at the top of your report and looks like:
 12345-6789-0123-456.

We will ask you to complete declarations as evidence or some of the joining requirements and terms and conditions. We'll also need you to provide personal information and bank details, so we can pay you.

Some people may need to supply more information, depending on their circumstances.

See our <u>Essential guide for applicants</u>.

About payments

For most, payments are made on an estimation of your heating system's annual heat use. For biomass and heat pump systems we take the heat load figure on the EPC. For solar thermal, we use a figure calculated by your MCS installer.

Some people will have to install meters and submit regular readings on which payments will be based. This includes, but isn't limited to, those with a back-up heating system such as an oil boiler, and those with a property which is occupied for less than half the year.

Your responsibilities

As we're dealing with public money, a condition of joining is that you agree to keep to the scheme rules. They include, but aren't limited to:



keeping the heating system and metering equipment (if you have it) in good working order



telling us if the equipment breaks down and isn't working while waiting for repairs



telling us if you sell your house (with the heating system in it), in which case payments to you will stop and switch to the new owner, should they apply to the scheme and satisfy certain other conditions



telling us if you make any changes to your heating system, for example if you replace part of it



telling us if there are changes that mean your property needs to be metered, for example if you expect it to be occupied for less than half the year.



telling us if there is ANY change in circumstances that may affect your eligibility to receive payments.

Audit checks

To continue to receive payments, you'll have to complete an annual declaration confirming that you've kept to the rules.

To help protect the public purse, we carry out a system of desk and site audits to verify that declarations are accurate. They're randomly chosen, so anyone may be selected at any time.

Guide material

We update our guide material regularly. Check the website for the latest versions, to be sure you're reading the most up-todate information.

Domestic RHI factsheets

An introduction to the Domestic Renewable Heat Incentive
The Renewable Heat Incentive – Domestic or Non-Domestic?
Installed before Domestic RHI opening?

Do I need metering for the Domestic RHI?

A metering and monitoring service package

for the Domestic RHI

Domestic RHI essential guides

Essential guide for applicants

Essentail guide for installers

Essential guide to metering

Essential guide to optional monitoring - Metering and Monitoring Service Package

Domestic RHI reference document

Domestic RHI reference document

Find out more

Next steps

See our Essential guide for applicants
See our websites:
Domestic RHI Non-Domestic RHI

For information about the Green Deal

The <u>gov.uk</u> site explains simply what the Green Deal is and how it works. It also has a list of approved Green Deal assessors.

For help

For all general queries about the Domestic RHI contact:

The Energy Saving Advice Service,

if you live in England or Wales:

- Call 0300 123 1234.
 Calls are charged at the standard national rate.
- Email <u>energy-advice@est.org.uk</u>

Home Energy Scotland, if you live in Scotland:

- Call 0808 808 2282. Calls are free from landlines and most mobile networks.
- Online email form