



Renewable Heat Incentive (RHI) Commercial

In the first phase of the Governments Renewable Heat Incentive scheme, long-term tariff support will be targeted in the non-domestic sectors, at the big heat users - the industrial, business and public sector – which contribute 38% of the UK's carbon emissions. The tariffs for these supported commercial sectors commenced late 2011. During phase one, there will also be support of around £15 million for existing domestic households, through the Renewable Heat Premium Payment. .

The current tariffs will pay 9.36p/kWh on the first 1314 hours of eligible energy produced followed by 2.79p/kWh on any additional heat produced.

- The RHI provides funding for privately owned commercial applications, such as offices, golf clubs, hotels, farms, care homes, bed & breakfasts, as well as publicly funded buildings including schools, hospitals, community centres and sports centres. The key classification of a business is whether the premises pays business rates.
- Communal projects are also eligible, provided a single installation is providing heat to more than one house. See our webpage on district heating: <http://www.kensaheatpumps.com/the-technology/heat-sources-collectors/heat-networks/>
- The tariffs will be paid for 20 years to eligible technologies that have been installed since 15th July 2009 with payments being made for each kWh metered of renewable heat which is produced.
- Heat metering and electrical metering will need to be installed to monitor usage, as such bi-valiant systems will be accepted.
- Once in the scheme, the level of support an installation will receive is fixed and adjusted annually with the consumer prices index (CPI). However, as with feed in tariffs, we expect the levels of support available for new entrants to the RHI scheme to decrease over time as the costs of the equipment and installation reduce through economies of scale.
- Technologies supported by the RHI commercial tariff include ground and water source heat-pumps. Air Source Heat Pumps will be supported by the new tariffs in phase one of the RHI, however at a much lower rate.
- The RHI provides funding for the industrial and the commercial sector; the public sector; not-for-profit organisations and communities in England, Scotland and Wales through the RHI tariffs.
- The RHI tariff scheme will stand alongside the Renewables Obligation and Feed in Tariff scheme to send a strong signal of support to the renewables sector.

Tariffs

For ground source heat pumps the tariff is split in two parts, 9.36p/kWh for the first 1314 hours of operation, (a 15% load factor) and 2.79p/kWh for any operation above 1314 hours. This is to stop people over generating heat simply to claim the tariff.

As an example:-

A 30kW heat pump operating for 2000 hours a year (i.e. 60,000kWh/y) will receive:-

30kW x 1314 x 9.36p/kWh = £3690

30kW x (2000—1314) x 2.79p/kWh = £574

Total payable = £3690 + £574 = £4264 per year for 20 years.



Application Process:

To apply for the RHI commercial tariff the applicant has to create an on-line account at www.rhi.ofgem.gov.uk/. In order to open an account the applicant will need Proof that the bank account provided is held in the name of the organisation/company (e.g. Photocopy of a bank statement which shows the account name, address, sort code and account number with financial information blackened out).

The applicant will then be sent an email confirming that the account has been created, and a link that will need to be clicked on to change the password. After this is complete, the applicant will be able to start to complete the application.

In order to apply for accreditation the following information needs to be provided:-

1) Evidence of consent from the organisation to apply for the RHI.

2) For each plant, evidence showing installer details, date of installation, and serial number. This could be any one (or a combination) of the following:

- Receipts and/or invoices relating to the installation of the equipment
- Commissioning certificate
- Commissioning report
- Photograph of the installation clearly showing the serial number of the equipment

3) Evidence of non-single domestic status (e.g. multiple council tax bills, business rates bill, letter of exemption from local council).

4) Documents such as offer letters relating to grants paid in respect to the installation, and any documentary evidence of grants surrendered or repaid in full.

5) For each model of meter, a copy of the manufacturer's certification or equivalent that the meter meets the Class 2 standard and requirements as set out in the Guidance

6) A schematic diagram meeting the requirements as set out in the Guidance. This must include the following:

- All plants providing heat to the heating system, whether eligible or ineligible
- All uses supplied with heat from the heating system, both eligible and ineligible.
- The pipework connections between all plants and heat uses.
- An indication of building boundaries and names/types
- The positions of relevant hot water and steam meters and their associated components.
- This is likely to require a key to allow the schematic to be fully and easily understood.

7) Installations below 45kWth (solar thermal, heat pumps, solid biomass):

MCS or equivalent certificate

Installations of 46 - 999KWth with 'simple' metering:

If these conditions apply, please supply suitable evidence to confirm the installation exists. For example, submission of scanned purchase invoices/orders, commissioning reports/certificates or similar evidence which contains relevant details regarding the application.

8) Heat pumps:

Evidence e.g. a copy of the manufacturer's technical specification for the heat pump unit to support declaration of the heat pump's COP.



Summary of 'further information' required during application:

Where indicated during the online review process, under question "HK120". [Question text: "Please provide a brief description of your installation, including the make & model of the main components. For further details of the information that should be included here, please refer to the guidance."]

All Installations

If you have had prior interactions with Ofgem regarding this installation, please provide any supplementary information as requested by Ofgem.

Heat Pumps

For heat pumps – manufacturer's technical specification for heat pump units to support Coefficient of Performance (CoP) claims of at least 2.9, and a declaration completed and signed by the installer(s) that the design Seasonal Performance Factor (SPF) is at least 2.5 For biomass, heat pump and solar thermal applications, a user guide or manual that includes technical specifications

Kensa Heat Pumps will provide product technical information required to support the application, simply contact us on the numbers below.