



# Key milestones in the history of the non-domestic RHI

**Spring:** EU 2020 targets announced

2007

**Winter:** Energy Bill introduced in Parliament, setting out UK target of reducing carbon emissions by 80% by 2050

**Winter:** Call for evidence on heat, to establish potential for low carbon and renewable heat

2008

**Spring:** Renewable Energy Strategy consultation, asking how renewable heat could be best supported

**Autumn:** DECC formed. Amendment to Energy Bill to introduce RHI – became an Act on 26 November

**Spring:** Data gathering exercise on costs and performance of renewable heat technologies, followed by call for evidence in July

2009

**Summer:** Renewable Energy Strategy published on 15 July, which became eligibility date for RHI applications, including an ambition to achieve 12% share for renewable heat by 2020

**Winter:** RHI consultation published in February, proposing 20 year tariffs.

2010

The [non-domestic RHI policy](#) was published in March 2011. Since then we have gathered more evidence, opinions and intelligence that has enabled us to refine the scheme and help ensure that it provides good value for money as well as increasing the uptake of renewable heat. The main stages in development of the scheme are summarised in the timeline (left), with key consultations described in more depth below.

## Providing certainty, improving performance

In July 2012 DECC consulted on proposals for introducing greater certainty to organisations who are either wanting to join the RHI or existing participants', as well as improving the application process.

[The Government response](#) was published outlining how DECC plans to implement these proposals by ensuring the scheme:

- Remains financially sustainable
- Offers good value for money for the tax payer
- Meets previous commitments to introduce biomass sustainability by setting out sustainability criteria for fuel source and greenhouse gas emissions and air quality emissions limits
- Reduces administrative burdens to Ofgem and applicants

Following this consultation we implemented a number of changes to the non-domestic RHI. These changes came into force on 24 September and details are set out below.

## ***Simplification of the metering requirements:***

Stakeholders raised issues about the complexity of the metering requirements and the high proportion of complex systems compared with simple systems. Under the changes it will only be necessary to install meters necessary for the RHI payment formula. In addition heat loss from external pipework can be disregarded in specific circumstances (ie if properly insulated) under the new changes.

**Spring:** Non-domestic RHI and RHPP policy announced in March

2011

**Summer:** RHPP scheme launched 1 August

**Autumn:** Non-domestic RHI launched 28 November

If an applicant can prove that it is either physically or financially problematic to install a heat meter, they will instead be allowed to submit a heat loss calculation.

**Air quality (AQ) compliance:** All applicants with biomass burning installations will now need to submit an RHI emission certificate or an environmental permit with their application. If an applicant is submitting an RHI emission certificate it will need to show that the boiler complies with the required AQ limits.

#### **Minor regulatory amendments:**

- The current regulations stipulate that heat must be used in a building. The new regulations will allow processes to occur outside of a building in certain circumstances.
- Accredited installation will be able to be relocated and continue receiving RHI payments, providing the relocated installation meets the necessary requirements at its new location.

2012

**Summer:** Non-domestic RHI consultation 'Providing Certainty, Improving Performance' published in July followed by series of consultations in September, including 'Expanding the non-domestic RHI' and 'Proposals for a domestic RHI'

#### **Expanding the non-domestic RHI**

In September 2012, we published our plans for expanding the existing non-domestic RHI scheme and this included the introduction of additional technologies. The outcome of this consultation was published in November 2013 as part of the Government response '*Improving Support, Increasing Uptake*'.

2013

**Spring:** Heat policy document 'The future of heating: meeting the challenge' published on 26 March. Non-domestic RHI 'Early Tariff Review' consultation launched in May

**Summer:** Details of domestic RHI scheme announced on 12 July

**Autumn:** Air Quality & Metering regulations for non-domestic RHI in force from 24 September. Improvements to non-domestic RHI announced on 4 December, including revised tariffs

#### **The 2013 Non-Domestic Tariff Review**

In response to industry and market feedback, DECC looked at the evidence on cost data and heat usage assumptions used to set the levels of tariffs when the non-domestic scheme was launched, alongside the level of uptake so far under the scheme and evidence from the renewable heat industry and market.

2014

**Spring:** Improved non-domestic scheme set to launch and new domestic RHI intended to be open for applications

As a result of this, we launched [the Non-Domestic Scheme Early Tariff Review consultation](#) in May 2013 which set out how we proposed to respond to the low uptake of some technologies in the scheme, to ensure that renewable heat can make an effective contribution to our 2020 renewable energy targets, support the UK renewable heat industry and achieve decarbonisation of our heat supply by 2050.

The outcome of this consultation was published in December 2013 as part of the Government response '*Improving Support, Increasing Uptake*'.