

Draft Regulations laid before Parliament under section 105(2)(a) and (3) of the Energy Act 2008, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2014 No. 0000

ENERGY

**The Renewable Heat Incentive Scheme
(Amendment) Regulations 2014**

Made - - - - 2014

Coming into force in accordance with regulation 1

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 100 and 104 of the Energy Act 2008(1).

In accordance with section 105(2)(a) and (3) of that Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

In accordance with section 100(7) of that Act, the Secretary of State has obtained the consent of the Scottish Ministers to the making of these Regulations.

Citation and commencement

1. These Regulations may be cited as the Renewable Heat Incentive Scheme (Amendment) Regulations 2014 and come into force on the day after the day on which they are made.

Amendments to the Renewable Heat Incentive Scheme Regulations 2011

2. The Renewable Heat Incentive Scheme Regulations 2011(2) are amended as follows.

Amendments to regulation 2 (interpretation)

3.—(1) Regulation 2 is amended as follows.

(2) In the definition of “average load factor”—

(a) for paragraph (a), substitute—

“(a) in respect of a relevant installation which is a large biomass plant, means—

(i) if the relevant installation uses or is expected to use heat for the same category of eligible purposes as 10 or more relevant installations which are

(1) 2008 c. 32. Section 100 is amended by S.I.2011/2195.

(2) S.I. 2011 No. 2860 as amended by S.I. 2012/1999, S.I. 2013/1033, S.I. 2013/2410, S.I. 2013/3179 and S.I.2014/928.

- large biomass plants providing metering data, the average of the load factors of all such installations; or
- (ii) if the relevant installation does not use or is not expected to use heat for the same category of eligible purposes as 10 or more relevant installations which are large biomass plants providing metering data, the average of the load factors of all relevant installations which are large biomass plants and are providing metering data;
- (aa) in respect of a relevant installation which is a ground source heat pump with an installation capacity of at least 1MWth (a “large ground source heat pump”), means—
- (i) if the relevant installation uses or is expected to use heat for the same category of eligible purposes as 5 or more relevant installations which are large ground source heat pumps providing metering data, the average of the load factors of all such installations; or
- (ii) if the relevant installation does not use or is not expected to use heat for the same category of eligible purposes as 5 or more relevant installations which are large ground source heat pumps providing metering data, the average of the load factors of all relevant installations which are large ground source heat pumps providing metering data;”;
- (b) in paragraph (b), after “within paragraph (a)” insert “or paragraph (aa)”;
- (c) in paragraph (c), after “in respect of a relevant installation” insert “(except a relevant installation within paragraphs (a) or (aa))”.
- (3) In the definition of “estimated energy from biomethane”—
- (a) for “in relation to a participant who produces biomethane for injection” substitute “in relation to an assessment date and a relevant producer”;
- (b) in paragraph (a), after “flow rate” insert “where the relevant producer has received a periodic support payment or the estimated flow rate in any other case”; and
- (c) for paragraph (b), substitute—
- “(b) T is—
- (i) if the relevant producer is a participant or an application for registration has been made by that relevant producer, the number of hours in the year commencing with the assessment date;
- (ii) where paragraph (i) does not apply but an application for preliminary registration has been made by the relevant producer, the number of hours in the period—
- (aa) commencing on the later of the assessment date or the date identified by the applicant as the date on which injection is expected to commence; and
- (bb) ending 12 months after the assessment date;”.
- (4) In the definition of “estimated heat”—
- (a) after “in relation to” insert “an assessment date and”;
- (b) for paragraph (b) substitute—
- “(b) T is—
- (i) if the relevant installation is an accredited RHI installation or an eligible installation for which an application for accreditation has been made, the number of hours in the year commencing with the assessment date;

- (ii) where paragraph (i) does not apply but the relevant installation is a plant for which an application for preliminary accreditation has been made, the number of hours in the period—
 - (aa) commencing on the later of the assessment date or the date identified by the applicant as the date the plant is expected to be commissioned; and
 - (bb) ending 12 months after the assessment date;”.
- (5) In the definition of “estimated spend”—
 - (a) in paragraph (a) after “relevant installation” insert “(except a relevant installation within paragraph (c))”;
 - (b) for paragraph (b) substitute—
 - “(b) a relevant producer, means the estimated energy from biomethane in relation to that relevant producer multiplied by the relevant initial tariff or subsequent tariff calculated in accordance with regulations 37 to 37D;”;
 - (c) after paragraph (b), insert—
 - “(c) a relevant installation which is a large installation for which the owner has given a declaration as to the total heat in kWhth which that installation is expected to generate each year for eligible purposes (or if more than one declaration has been given, the total heat identified in the latest declaration), means that heat expressed in kWhth multiplied by the relevant initial tariff or subsequent tariff calculated in accordance with regulations 37 to 37D;”.
- (6) In the definition of “forecast for expenditure”—
 - (a) in paragraph (a), omit “other than “biomethane and biogas combustion””;
 - (b) for paragraph (b), substitute—
 - “(b) in relation to an assessment date and a relevant producer, means the sum as at that assessment date of the estimated spend for each relevant producer;”.
- (7) For the definition of “increase in expenditure forecast”, substitute—

““increase in expenditure forecast” means a figure determined under regulation 37E(2)(d) or 37F(2) as applicable;”.
- (8) In the definition of “installation capacity”, after “in relation to a plant,” insert “except where otherwise specified,”.
- (9) Omit the definition of “MCS”.
- (10) In the definition of “relevant installation”, for paragraph (b), substitute—
 - “(b) a plant for which an application for accreditation or preliminary accreditation has been made, but does not include a plant where—
 - (i) the application has been rejected by the Authority;
 - (ii) the application has been withdrawn by the applicant; or
 - (iii) the Authority requires further information in order to determine whether or not the application should be granted and at least 4 months have passed since the date on which the application was made;”.
- (11) For the definition of “tariff category”, substitute—

““tariff category” means—

 - (a) for the purposes of any forecast for expenditure published before the third relevant date and the determination of any periodic support payment for a tariff period commencing

earlier than 1st October 2014, a category of plant which is described in the second and third columns of Schedule 3 and identified by a tariff name in the first column of that Schedule;

- (b) for any other purpose, one of the following categories—
- (i) small biomass plants;
 - (ii) medium biomass plants;
 - (iii) large biomass plants;
 - (iv) ground source heat pumps;
 - (v) plants which use solar collectors;
 - (vi) plants which generate heat from biogas;
 - (vii) producers of biomethane for injection;
 - (viii) new solid biomass CHP systems;
 - (ix) deep geothermal plants;
 - (x) air source heat pumps;”.
- (12) For the definition of “tariff start date”, substitute—
- ““tariff start date” means, except where otherwise specified,—
- (a) in relation to an eligible installation, the date of accreditation of that eligible installation;
 - (b) in relation to additional RHI capacity, the date of accreditation of that additional RHI capacity; or
 - (c) in relation to a producer of biomethane—
 - (i) in relation to the maximum initial capacity, the date of registration in relation to that capacity, and
 - (ii) in relation to any maximum additional capacity, the date of registration in relation to that capacity;”.
- (13) Insert the following definitions at the appropriate places—
- ““air source heat pump” means a plant which generates heat by absorbing energy stored in the form of heat in the ambient air;”;
- ““category of eligible purposes” means any one of the following—
- (a) heating a space;
 - (b) heating water;
 - (c) heating a space and water;
 - (d) any other eligible purpose or combination of eligible purposes;”;
- ““CHP system” means a system which generates power and is (or may be) operated for purposes including the supply to any premises (using liquid or steam) of heat produced in association with that power;”;
- ““CHPQA” means, except where otherwise provided, the Combined Heat and Power Quality Assurance Standard, Issue 5, November 2013, as published by the Department of Energy and Climate Change(3);”;
- ““combustion unit” means—
- (a) where the fuel is solid biomass or solid biomass contained in waste, a boiler;
 - (b) where the fuel is biogas, a boiler, turbine or engine;”;

““deep geothermal” in relation to energy, means naturally occurring energy located and extracted from at least 500 metres beneath the surface of solid earth, and a “deep geothermal plant” means a plant which generates heat using such energy;”;

““design heat load” means, in relation to ground source heat pumps that are capable of heating and cooling, the heat flow required to achieve the planned heating requirements for that plant;”;

““energy content” means the energy contained within a substance (whether measured by a calorimeter or determined in some other way) expressed in terms of the substance’s gross calorific value within the meaning of BS 7420:1991 (Guide for the determination of calorific values of solid, liquid and gaseous fuels (including definitions)(4);”;

““estimated flow rate”, in relation to an assessment date and a relevant producer, means—

$$\frac{B}{H}$$

where—

(a) B is the volume in cubic metres of biomethane that the relevant producer has declared as being the amount which that relevant producer expects will be produced for injection each year once injection has commenced (or if more than one declaration has been given, the volume identified in the latest declaration) or 0 if no such declaration has been given;

(b) H is the total number of hours in the year commencing with the assessment date;”;

““ground source heat pump” means a plant which generates heat by absorbing energy stored in the form of heat in the ground, including water in the ground, or in surface water, but does not include a plant which is a deep geothermal plant;”;

““large biomass plant” means a plant which generates heat or heat and power from solid biomass (including solid biomass contained in waste) with an installation capacity of at least 1MWth, and which is not a new solid biomass CHP system;”;

““large installation” means—

(a) a plant which generates heat from biogas with an installation capacity of at least 600kWth; or

(b) any other plant which has an installation capacity of at least 1MWth;”;

““maximum initial capacity” means the volume of biomethane, expressed in cubic metres per quarterly period which a participant is entitled to supply for injection under the Network Entry Agreement applicable to the biomethane in relation to which an application for registration under regulation 25 is made;”;

““medium biomass plant” means a plant which generates heat or heat and power from solid biomass including solid biomass contained in waste with an installation capacity of 200kWth or above but less than 1MWth and which is not a new solid biomass CHP system;”;

““Network Entry Agreement” means an agreement between a person who injects biomethane and a gas transporter under which the person who injects biomethane is entitled to inject biomethane into the pipe-line system operated by that gas transporter;”;

““new solid biomass CHP system” means a plant which complies with the eligibility requirements in regulation 9A;”;

““relevant producer” means—

(a) a participant who produces or proposes to produce biomethane for injection; or

(4) The ISBN for the English language version of this standard is ISBN 0 580 19482 5. This standard is published by the British Standards Institution and copies can be obtained at www.bsigroup.com.

- (b) a person who produces or proposes to produce biomethane for injection who has made an application for registration or preliminary registration but does not include a person who has made an application—
- (i) which has been rejected by the Authority;
 - (ii) which has been withdrawn by the applicant; or
 - (iii) in respect of which the Authority requires further information in order to determine whether or not the application should be granted and at least 4 months have passed since the date on which the application was made;”;

““seasonal performance factor” means, in relation to an air source heat pump or a ground source heat pump, the ratio of its heat output to electricity input expressed as an average over a year;”;

““small biomass plant” means a plant which generates heat or heat and power from solid biomass including solid biomass contained in waste with an installation capacity of less than 200kWth, and which is not a new solid biomass CHP system;”;

““third relevant date” means the date of coming into force of the Renewable Heat Incentive Scheme (Amendment) Regulations 2014;”;

““waste” has the meaning given to it in section 75(2) of the Environmental Protection Act 1990(5).”.

Amendment to regulation 4 (eligible installations)

4. In regulation 4(1), for paragraph (a) substitute—

“(a) regulation 5, 6, 7, 8, 8A, 9, 9A, 10 or 11 applies;”.

Amendment to regulation 5 (eligible installations generating heat from solid biomass)

5. In regulation 5(1)(c), for “regulation 13 applies” substitute “the plant meets the requirements in regulation 13”.

Amendment to regulation 6 (eligible installations generating heat from solid biomass contained in municipal waste)

6. In regulation 6 and in the heading to regulation 6, omit “municipal”.

Amendment to regulation 7 (eligible installations generating heat using solar collectors)

7. In regulation 7(c), for “regulation 13 applies” substitute “the plant meets the requirements in regulation 13”.

Substitution of regulation 8 (eligible installations generating heat using heat pumps)

8. For regulation 8 substitute—

“Eligible installations generating heat using ground source heat pumps

8.—(1) This regulation applies if the plant complies with all of the following requirements—

- (a) it is a ground source heat pump;

(5) 1990 c.43. Section 75(2) was substituted by section 120(1) of and paragraph 88(1) and (2) of Schedule 22 to the Environment Act 1995 (c.25) and a Schedule 2B (Categories of Waste) was inserted by paragraph 95 of that Schedule. Section 75(2) was amended by paragraph 3(8)(a) of Schedule 4 to [S.I. 2011/988](#).

- (b) it generates heat using naturally occurring energy;
 - (c) in the case of a plant with an installation capacity of 45kWth or less, the plant meets the requirements in regulation 13;
 - (d) it has a coefficient of performance of at least 2.9; and
 - (e) in the case of a plant in respect of which an application for accreditation is made on or after the third relevant date—
 - (i) the plant is designed and installed to operate with a seasonal performance factor of at least 2.5; and
 - (ii) where the plant is capable of heating and cooling, a design heat load for the plant has been calculated in accordance with BS EN 12831:2003(6).
- (2) Paragraph (3) applies where—
- (a) an application for accreditation in respect of the plant is made on or after the third relevant date; and
 - (b) the plant was first commissioned on or after 4th December 2013.
- (3) Where this paragraph applies, the requirement in paragraph (1)(b) is deemed to be satisfied where, in addition to using naturally occurring energy in the form of heat, the plant uses—
- (a) solar energy which has been gathered by any means (other than by a solar collector which is an accredited RHI installation) and is stored in the ground in the form of heat;
 - (b) heat from space cooling or process cooling; or
 - (c) heat from processes other than the generation of heat.”.

Air source heat pumps

9. After regulation 8 insert—

“Eligible installations generating heat using air source heat pumps

8A. This regulation applies if the plant complies with all of the following requirements—

- (a) it is an air source heat pump;
- (b) in the case of a plant with an installation capacity of 45kWth or less, the plant meets the requirements in regulation 13;
- (c) it has a coefficient of performance of at least 2.9;
- (d) it has been designed and installed to operate with a seasonal performance factor of at least 2.5;
- (e) it is not designed to provide cooling; and
- (f) it is not designed to use heat in air which has been expelled—
 - (i) from a building; or
 - (ii) directly from a process which generates heat.”.

(6) The ISBN for the English language version of this standard is ISBN 978 0580 84107 1. This standard is published by the British Standards Institution and copies can be obtained at www.bsigroup.com.

Substitution of regulation 9 (eligible installations which are CHP systems)

10. For regulation 9 substitute—

“Eligible installations which are CHP systems

9.—(1) This regulation applies if the plant is a CHP system which complies with the requirements in paragraphs (2) and (3).

(2) The requirements in this paragraph are that the CHP system generates heat and power from—

- (a) one of the sources of energy set out in paragraph (5) alone, or
- (b) solid biomass, solid biomass contained in waste or biogas, in combination with each other or with any other source of energy provided that—
 - (i) the combustion unit in which that solid biomass, solid biomass contained in waste or biogas is burned was first commissioned as part of a CHP system on or after 4th December 2013;
 - (ii) the combustion unit was new at the time of installation;
 - (iii) (except in relation to the use of solid biomass contaminated with fossil fuel) the combustion unit in which that solid biomass, solid biomass contained in waste or biogas is burned is a separate combustion unit from that in which any other fuel is burned.

(3) Where energy is supplied to the CHP system from a combustion unit in which solid biomass (excluding solid biomass contained in waste) is burned, the requirements in this paragraph are that—

- (a) the combustion unit is specifically designed and installed to use solid biomass as its only primary fuel source, and
- (b) where an application for accreditation relating to the combustion unit is made on or after the second relevant date, that combustion unit complies with the requirements in regulation 5(1)(d)(i) and (ii).

(4) The requirements in paragraph (2)(b)(i) and (ii) are deemed to be satisfied where the combustion unit was previously supplying energy for the generation of power only and the plant to which it supplies energy is first commissioned as a CHP system on or after 4th December 2013.

(5) The sources of energy referred to in paragraph (2)(a) are—

- (a) solid biomass (excluding solid biomass contained in waste);
- (b) solid biomass contained in waste;
- (c) biogas, provided that the combustion unit in which the biogas is burned does not generate heat from solid biomass;
- (d) deep geothermal energy.”.

New solid biomass CHP systems

11. After regulation 9 insert—

“Eligible installations which are new solid biomass CHP systems

9A.—(1) This regulation applies if the plant is a CHP system which complies with the requirements in paragraphs (2) and (3).

(2) The requirement in this paragraph is that the CHP system is certified under CHPQA.

(3) The requirements in this paragraph are that the CHP system generates heat and power from solid biomass (excluding solid biomass contained in waste) alone or in combination with any other source of energy provided that the combustion unit in which that solid biomass is burned—

- (a) was first commissioned as part of a CHP system on or after 4th December 2013;
- (b) was new at the time of installation;
- (c) (except in relation to the use of solid biomass contaminated with fossil fuel), is a separate combustion unit from that in which any other fuel is burned;
- (d) is specifically designed and installed to use solid biomass as its only primary fuel source, and
- (e) complies with the requirements in regulation 5(1)(d)(i) and (ii).

(4) The requirements in paragraph (3)(a) and (b) are deemed to be satisfied where the combustion unit was previously supplying energy for the generation of power only and the plant to which it supplies energy is first commissioned as a CHP system on or after 4th December 2013.”.

Amendment to regulation 11 (eligible installations generating heat using biogas)

12. In regulation 11, omit paragraph (b).

Amendment to regulation 12 (other eligibility requirements for technologies)

13. In regulation 12(1), for sub-paragraph (a), substitute—

- “(a) except where regulation 9(2)(b) or 9A applies—
- (i) in the case of a plant generating heat using biogas combustion with an installation capacity of 200 kWth or above or an air source heat pump, the plant was first commissioned on or after 4th December 2013;
 - (ii) in all other cases, installation of the plant was completed and the plant was first commissioned on or after 15th July 2009;”.

Substitution of regulation 13 (MCS certification for Microgeneration heating equipment)

14. For regulation 13 substitute—

“Certification for installation of Microgeneration heating equipment

13.—(1) A plant meets the requirements set out in this regulation if it is certified under—

- (a) the Microgeneration Certification Scheme⁽⁷⁾ as installed in accordance with the relevant installation standard in that scheme; or
- (b) a scheme accredited under European Standards EN 45011⁽⁸⁾ or EN ISO/IEC 17065:2012⁽⁹⁾ as installed in accordance with the installation requirements applicable to the plant which apply under that scheme where—
 - (i) that scheme is equivalent to the Microgeneration Certification Scheme; and

(7) Details of which are available at www.microgenerationcertification.org.

(8) The ISBN for the English language version of this standard is ISBN 0580294153. This standard is published by the British Standards Institution and copies can be obtained at www.bsigroup.com.

(9) The ISBN for the English language version of this standard is ISBN 978 0 580 78472 9. This standard is published by the British Standards Institution and copies can be obtained at www.bsigroup.com.

- (ii) the installation requirements are those which apply on the plant's first commissioning date and which are equivalent to the relevant installation standard.
- (2) In paragraph (1), "relevant installation standard" means, if the first commissioning date for the plant is—
- (a) on or after the third relevant date—
 - (i) where the plant generates heat from solid biomass, version 4.0 of the document entitled "Microgeneration Installation Standard: MIS 3004 requirements for contractors undertaking the supply, design, installation, set to work, commissioning and handover of solid biofuel heating systems" published on 16th December 2013⁽¹⁰⁾;
 - (ii) where the plant is a ground source heat pump or air source heat pump, version 4.0 of the document entitled "Microgeneration Installation Standard: MIS 3005 requirements for contractors undertaking the supply, design, installation, set to work, commissioning and handover of microgeneration heat pump systems" published on 16th December 2013⁽¹¹⁾; or
 - (iii) where the plant generates heat using a solar collector, version 4.0 of the document entitled "Microgeneration Installation Standard: MIS 3001 requirements for contractors undertaking the supply, design, installation, set to work, commissioning and handover of solar heating microgeneration systems" published on 16th December 2013⁽¹²⁾; or
 - (b) earlier than the third relevant date, any installation requirements applicable to the plant under the Microgeneration Certification Scheme on the plant's first commissioning date."

Amendments to regulation 15 (excluded plants)

15. For regulation 15(1)(c)(ii) substitute—

"(ii) generates heat using a solar collector or in the case of additional RHI capacity commissioned before 4th December 2013, using biogas;"

Metering in respect of new applications for accreditation in relation to ground source or air source heat pumps

16. After regulation 17A insert—

"Metering in respect of new applications for accreditation in respect of ground source or air source heat pumps

17B.—(1) This regulation applies to any ground source heat pump or air source heat pump in respect of which an application for accreditation is made on or after the third relevant date.

(2) Where this regulation applies, the following meters must be installed—

- (a) such electricity meters as will enable the seasonal performance factor of the heat pump to be determined to the satisfaction of the Authority;

⁽¹⁰⁾ Published on www.microgenerationcertification.org.

⁽¹¹⁾ Published on www.microgenerationcertification.org.

⁽¹²⁾ Published on www.microgenerationcertification.org.

- (b) in the case of a ground source heat pump, where that heat pump is capable of simultaneous heating and cooling, such metering as will enable the heat drawn from the ground, including water in the ground, or from surface water, to be measured.”.

Amendment to regulation 22 (applications for accreditation)

17. In regulation 22(2)—

- (a) after sub-paragraph (c) insert—

“and,

- (d) if the eligible installation is a large installation, a declaration as to the total heat in kWhth which the applicant expects the eligible installation to generate each year for eligible purposes.”;

- (b) after paragraph (8) insert—

“(9) The Authority must not accredit an eligible installation if it has not been commissioned.

(10) The Authority may refuse to accredit an eligible installation if its owner has indicated that one of the applicable ongoing obligations will not be complied with.

(11) The Authority may refuse to accredit a plant which is a component plant within the meaning of regulation 14(2).

- (12) The Authority must not accredit a plant if—

- (a) it is, or at any time has been, an accredited domestic plant within the meaning given by regulation 2 of the Domestic Renewable Heat Incentive Scheme Regulations 2014(13);
- (b) an application for accreditation of the plant has been made under those Regulations and that application has not been withdrawn by the applicant or rejected by the Authority;
- (c) it provides heat to the same property as an accredited domestic plant or a plant for which an application for accreditation under those Regulations has been made which has not been withdrawn or rejected.”.

Substitution to regulation 23 (exceptions to duty to accredit)

18. For regulation 23 substitute—

“Treatment of grants from public funds

23.—(1) Subject to paragraphs (2) to (5), the Authority must not accredit an eligible installation or register a producer of biomethane unless the applicant has given notice (which the Authority has no reason to believe is incorrect) that, as applicable—

- (a) no grant from public funds has been paid or will be paid in respect of any of the costs of purchasing or installing the eligible installation or any of the equipment used to produce the biomethane for which the applicant is intending to claim periodic support payments; or
- (b) such a grant was paid and has been repaid to the person or authority who made it.

(2) Where some or all of the purchase or installation costs of the eligible installation or the equipment used to produce biomethane were funded by any grant from public funds and—

- (a) the applicant demonstrates to the satisfaction of the Authority that the person or authority who made the grant has—
 - (i) refused to accept repayment of the grant, or
 - (ii) ceased to exist; or
- (b) paragraph (3) applies,

the Authority may accredit the eligible installation or register the producer of biomethane (as the case may be), but a grant funding deduction must be deducted from each quarterly periodic support payment in accordance with paragraphs (4) to (6).

(3) This paragraph applies where—

- (a) a grant originates from funds raised by the National Lottery; and
- (b) on or after 15th July 2009 but not later than 6 months after the third relevant date—
 - (i) installation of the plant was completed and the plant was first commissioned; or
 - (ii) installation of the equipment used to produce biomethane was completed and injection of biomethane produced by that applicant has commenced.

(4) A grant funding deduction for each quarterly period is calculated in accordance with the following formula—

$$A \div 80$$

where A is calculated in accordance with paragraph (5).

(5) For the purposes of paragraph (4), A is—

- (a) for the quarterly period commencing on the tariff start date, the figure that the Authority believes, based on all relevant information available to the Authority at the time, represents the total value of any grants from public funds to which paragraph (2) refers;
- (b) for any subsequent quarterly period that does not include 1st April of any year, the value of A in the previous quarterly period;
- (c) for any subsequent quarterly period that includes 1st April of any year, the value of A in the previous quarterly period adjusted by the percentage increase or decrease in the retail prices index for the previous calendar year (the resulting figure being stated to two decimal places and rounded to the nearest hundredth of a penny).

(6) Where a grant funding shortfall arises, the Authority must deduct from the periodic support payments (“P”) payable in the subsequent quarterly period and any quarterly period thereafter, the grant funding deduction for that period together with such part of the grant funding shortfall as remains outstanding provided that the total amount so deducted does not exceed P.

(7) Where an eligible installation is accredited or a producer of biomethane is registered and paragraph (2) applies, the tariff start date shall be the date of accreditation or registration, or the third relevant date, whichever is the later.

(8) In this regulation—

“grant from public funds” means a grant made by a public authority or by any person distributing funds on behalf of a public authority;

“grant funding shortfall” means the amount by which the grant funding deduction exceeds the periodic support payment in any quarterly period;

“National Lottery” means the National Lottery as referred to in the National Lottery Act 1993(14).”.

Amendments to regulation 25 (producers of biomethane)

19.—(1) In regulation 25(2)—

(a) at the end of sub-paragraph (c) omit “and”;

(b) after sub-paragraph (d), insert—

“and

(e) in relation to applications for registration made after the third relevant date, a declaration as to the volume in cubic metres of biomethane which the applicant expects to produce for injection each year;”.

(2) After paragraph (2) insert—

“(2A) Before registering a producer of biomethane as a participant, the Authority may arrange to carry out an inspection of any equipment which is being used to produce the biomethane for which the applicant is intending to claim periodic support payments (including equipment used to produce the biogas from which that biomethane is made) in order to satisfy itself that the applicant should be registered.

(2B) Where an application for registration is made after the third relevant date, and the applicant is not also the person producing the biogas used to make the biomethane in respect of which that application is made, the Authority may require—

(a) that the applicant has the authority from all persons who produce the biogas from which the biomethane is made to be the participant; and

(b) that the applicant provides to the Authority, in such manner and form as the Authority may request, evidence of that authority.”.

(3) After paragraph (3) insert—

“(3A) In relation to applicants who are registered after the third relevant date, the Authority must specify the maximum initial capacity in respect of which the participant is registered.”.

(4) In paragraph (4) after “subject to” insert “regulation 23 and”.

(5) Omit paragraph (6).

Amendments to regulation 26 (preliminary accreditation)

20.—(1) In regulation 26(3), after “the Authority may require”, insert—

“and declarations as to—

(a) the date on which the applicant expects the plant to be commissioned;

(b) the total heat in kWhth which the applicant expects the plant to generate each year for eligible purposes once the plant has been commissioned; and

(c) the installation capacity of the plant.”.

(2) In regulation 26(11), for sub-paragraph (b) substitute—

“(b) a ground source heat pump or an air source heat pump; or”.

Preliminary registration of biomethane producers

21. After regulation 26 insert—

“Preliminary registration of biomethane producers

26A.—(1) The Authority may grant preliminary registration to a person who—

- (a) proposes to produce biomethane for injection; and
- (b) has not yet started production.

(2) An application for preliminary registration must be in writing and supported by such of the information specified in Schedule 1 as the Authority may require and declarations as to—

- (a) the date on which the applicant expects that injection will commence;
- (b) the volume in cubic metres of biomethane which the applicant expects to produce for injection each year once injection has commenced; and
- (c) the expected maximum initial capacity.

(3) The Authority may attach such conditions as it considers appropriate in granting preliminary registration under this regulation.

(4) The Authority must not grant preliminary registration unless it is satisfied that a Connection Agreement in relation to the proposed production of biomethane has been entered into.

(5) Where a person has been granted preliminary registration (and such preliminary registration has not been withdrawn) and an application for registration is made under this Part, the Authority must, subject to regulations 23 and 25(5), (7) and (8), grant that application unless it is satisfied that—

- (a) there has been a material change in circumstances since the preliminary registration was granted such that, had the application for preliminary registration been made after the change, it would have been refused;
- (b) any condition attached to the preliminary registration has not been complied with;
- (c) the information on which the decision to grant the preliminary registration was based was incorrect in a material particular such that, had the Authority known the true position when the application for preliminary registration was made, it would have been refused;
- (d) there has been a change in applicable legislation since the preliminary registration was granted such that, had the application for preliminary registration been made after the change, it would have been refused.

(6) Where any of the circumstances mentioned in paragraph (7) apply in relation to the preliminary registration which the Authority has granted, and having regard to those circumstances the Authority considers it appropriate to do so, the Authority may—

- (a) withdraw the preliminary registration;
- (b) amend the conditions attached to the preliminary registration;
- (c) attach conditions to the preliminary registration.

(7) The circumstances referred to in paragraph (6) are—

- (a) in the Authority’s view there has been a material change in circumstances since the preliminary registration was granted;
- (b) any condition attached to the preliminary registration has not been complied with;

- (c) the Authority considers that the information on which the decision to grant the preliminary registration was based was incorrect in a material particular;
 - (d) there has been a change in the applicable legislation since the preliminary registration was granted such that, had the application for preliminary registration been made after the change, it would have been refused.
- (8) The Authority must send the applicant a notice setting out—
- (a) its decision on an application for preliminary registration or on the withdrawal of any preliminary registration;
 - (b) any condition attached to the preliminary registration or any amendment to those conditions.
- (9) In this regulation a “Connection Agreement” means an agreement between a person who proposes to inject biomethane into a pipe-line system and the operator of the pipe-line system which provides for the design and construction of a connection whereby the biomethane may be injected into the pipe-line system.”.

Amendments to regulation 27 (interpretation)

22. In regulation 27, omit the definitions for “energy content” and “waste”.

Amendments to regulation 28 (participants using solid biomass contained in municipal waste)

23. In regulation 28—
- (a) in the heading and in paragraphs (1) to (3), (6) and (8), omit “municipal” in each place where it occurs;
 - (b) in paragraph (2), for “50 per cent” substitute “10 per cent”;
 - (c) in paragraph (5), after “accredited RHI installation” insert “or where the installation is a CHP system, by a combustion unit which supplies energy to that installation from solid biomass contained in waste,”;
 - (d) omit paragraph (9).

Amendment to regulation 29 (Participants using solid biomass in accredited RHI installations with an installation capacity of 1MWth or above)

24. In regulation 29—
- (a) in paragraph (1), omit “municipal”;
 - (b) in paragraph (6), after “accredited RHI installation” insert “or where the installation is a CHP system, by a combustion unit which supplies energy to that installation from solid biomass,”.

Amendment to regulation 30 (participants using solid biomass in accredited RHI installations with an installation capacity between 45 kWth and 1 MWth)

25. In regulation 30(1), omit “municipal”.

Amendment to regulation 31 (biogas produced from gasification or pyrolysis)

26. In regulation 31, omit “municipal” in each place where it occurs.

Amendment to regulation 33 (biomethane producers)

27. In regulation 33(2) and (3) omit “municipal”.

Amendments to regulation 34 (ongoing obligations: general)

28. At the end of regulation 34 insert—

- “(r) participants generating heat and power in a CHP system to which regulation 9A applies, must notify the Authority within 28 days where CHPQA certification ceases to apply;
- (s) participants generating heat and power in a CHP system from more than one source of energy—
 - (i) (except in relation to solid biomass contaminated with fossil fuel), must only burn one of the sources of energy at any time in any combustion unit which supplies energy for the production of heat;
 - (ii) must keep and provide upon request to the Authority a separate record of the fuel burned in each combustion unit which supplies energy for the production of heat in respect of which periodic support payments are paid;
- (t) participants generating heat using a ground source heat pump for which an application for accreditation is made on or after the third relevant date and which is capable of heating and cooling, must keep and provide upon request to the Authority, details of the calculation of the design heat load.”.

Substitution of regulation 37

29. For regulation 37 substitute—

“Payment of periodic support payments to participants

37.—(1) Subject to regulation 43 and 43A, periodic support payments shall accrue from the tariff start date and shall be payable for 20 years.

(2) Periodic support payments shall be calculated and paid by the Authority.

(3) Subject to paragraphs (7), (15), (16) and (19) of this regulation and regulation 43(4) to (6), the tariff for an accredited RHI installation shall be fixed when that installation is accredited.

(4) Subject to paragraph (7), the tariff for a participant who is a producer of biomethane is the tariff relevant to biomethane set out in Schedule 3.

(5) Subject to paragraphs (6), (7), (15), (16) and (19), the tariff for an accredited RHI installation is the tariff set out in Schedule 3 in relation to its source of energy or technology and installation capacity.

(6) Subject to regulation 43, for the purposes of paragraphs (5) and (10), where the accredited RHI installation is one of a number of plants forming part of the same heating system, its installation capacity is to be taken to be the sum of the installation capacities of that accredited RHI installation and all plants for which an application for accreditation has been made (whether or not they have been accredited) which—

- (a) use the same source of energy and technology as that accredited RHI installation, and
- (b) form part of the same heating system as that accredited RHI installation.

- (7) The tariff for an accredited RHI installation or a participant who is a producer of biomethane—
- (a) for the period commencing with the tariff start date and ending with the following 31st March (“the initial period”) is the tariff specified in paragraph (8), (9) or (10) (“the initial tariff”);
 - (b) for each year following the initial period commencing with 1st April and ending with the following 31st March (“a subsequent year”) is the tariff specified in paragraph (11) or (12) for the relevant subsequent year (“the subsequent tariff”).
- (8) For the purposes of paragraph (7)(a), the initial tariff is—
- (a) if the tariff start date is later than 27th November 2011 but earlier than 1st April 2012, the tariff set out in Schedule 3;
 - (b) if the tariff start date is later than 31st March 2012 but earlier than 1st April 2013, the tariff set out in Schedule 3 adjusted by the percentage increase or decrease in the retail prices index for the calendar year ending on 31st December 2011 (the resulting figure being rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards);
 - (c) if the tariff start date is later than 31st March 2013 but earlier than 30th April 2013, the tariff set out in Schedule 3—
 - (i) adjusted by the percentage increase or decrease in the retail prices index for the calendar year ending on 31st December 2011 (the resulting figure being rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards); and
 - (ii) further adjusted by the percentage increase or decrease in the retail prices index for the calendar year ending on 31st December 2012 (the resulting figure being rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards);
 - (d) subject to paragraphs (9) and (10), if the tariff start date is on or after 30th April 2013, the tariff calculated in accordance with regulations 37A to 37D.
- (9) The initial tariff for an accredited RHI installation which has a tariff start date on or after 1st April 2014 but earlier than 1st October 2014 and which uses a solar collector, is a ground source heat pump or is a large biomass plant is—
- (a) for any part of the initial period which is earlier than the third relevant date, the tariff calculated in accordance with regulations 37A to 37D; and
 - (b) for the period commencing with the third relevant date and ending with 31st March 2015, the tariff set out in Schedule 3A in relation to its source of energy or technology.
- (10) Subject to paragraph (19), the initial tariff for an accredited RHI installation which has a tariff start date on or after the third relevant date but earlier than 1st October 2014 and is—
- (a) a new solid biomass CHP system;
 - (b) an air source heat pump;
 - (c) a plant which generates heat from biogas (but not from solid biomass) with a capacity of at least 200 kWth; or
 - (d) a deep geothermal plant which is first commissioned on or after 4th December 2013,
- is the tariff set out in Schedule 3B in relation to its source of energy or technology and installation capacity.

(11) Subject to paragraph (12), for the purposes of paragraph (7)(b), the subsequent tariff for a particular subsequent year is the tariff applicable to the installation or participant on the 31st March immediately preceding the commencement of the subsequent year, adjusted by the percentage increase or decrease in the retail prices index for the calendar year ending on the 31st December immediately preceding the commencement of that subsequent year, the resulting figure being stated to—

- (a) one decimal place and rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards, if the subsequent year commences on a date which is earlier than 1st April 2015; or
- (b) two decimal places and rounded to the nearest hundredth of a penny, with any two hundredth of a penny being rounded upwards, if the subsequent year commences on or after 1st April 2015.

(12) The subsequent tariff for the subsequent year commencing with 1st April 2014 for an accredited RHI installation with a tariff start date on or after 21st January 2013 and which uses a solar collector, is a ground source heat pump or is a large biomass plant is—

- (a) for the period commencing with 1st April 2014 and ending with the date immediately preceding the third relevant date, the tariff applicable to the installation on 31st March 2014, adjusted by the percentage increase or decrease in the retail prices index for the calendar year ending on 31st December 2013, the resulting figure being stated to one decimal place and rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards;
- (b) for the period commencing with the third relevant date and ending with 31st March 2015, the tariff set out in Schedule 3A in relation to its source of energy or technology.

(13) The Authority must calculate the subsequent tariffs each year in accordance with paragraphs (7), (11) and (12) and publish on or before 1st April each year a table of tariffs for the period commencing 1st April of that year and ending with 31st March of the following year.

(14) The Authority must by 15th March, 15th June, 15th September and 15th December in each year (“the tariff publication date”) publish in a table on its website the initial tariffs applicable where a tariff start date falls within the tariff period immediately following the tariff publication date.

(15) For the purposes of paragraphs (5) and (8), and regulation 37B, where an accredited RHI installation fits within the tariff category “small biomass” or “medium biomass” a reference to the tariff set out in Schedule 3 is—

- (a) in relation to the initial heat generated by the installation in any 12 month period commencing with, or with the anniversary of, the date of accreditation, a reference to the relevant tier 1 tariff specified in Schedule 3; and
- (b) in relation to all further heat generated in that same 12 month period, a reference to the relevant tier 2 tariff so specified.

(16) For the purposes of paragraphs (9)(b) and (12)(b), where an accredited RHI installation is a ground source heat pump, a reference to the tariff set out in Schedule 3A is—

- (a) in relation to the initial heat generated by the installation in any 12 month period commencing with, or with the anniversary of, the date of accreditation, a reference to the relevant tier 1 tariff specified in Schedule 3A;
- (b) in relation to all further heat generated in that same 12 month period, a reference to the relevant tier 2 tariff so specified.

(17) For the purposes of paragraphs (15) and (16), “the initial heat” means the heat in kWh generated by an accredited RHI installation running at its installation capacity for 1,314 hours.

(18) In the case of ground source heat pumps which are capable of both heating and cooling, and in respect of which an application for accreditation is made on or after the third relevant date, “installation capacity” for the purposes of paragraph (17) means the design heat load.

(19) Where an accredited RHI installation which is a new solid biomass CHP system ceases to be certified under CHPQA, the tariff during any period in which it is not so certified shall be the tariff that would have been applicable if the plant had never been so certified.”.

Amendment to regulation 37A (calculation of initial tariffs on or after the relevant date)

30. In regulation 37A, before “This regulation applies” insert “Subject to regulation 37(9) and (10)”.

Amendments to regulation 37B (calculation of A)

31. In paragraph (4) of regulation 37B, for “rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards” substitute—

“stated to—

- (a) one decimal place and rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards, if the subsequent tariff period commences on a date which is earlier than 1st April 2015; or
- (b) two decimal places and rounded to the nearest hundredth of a penny, with any two hundredth of a penny being rounded upwards, if the subsequent tariff period commences on or after 1st April 2015.”.

Amendment to regulation 37C (calculation of B)

32. In regulation 37C(2)(b), for “the table in the relevant Part of Schedule 5” substitute “the table applicable to the installation in the relevant Part of Schedule 5”.

Amendment to regulation 37D (calculation of C)

33. In regulation 37D, in paragraphs (2)(b) and (c), for “the table in the relevant Part of Schedule 5” substitute “the table applicable to the installation in the relevant Part of Schedule 5”.

Amendments to regulation 37E (expenditure forecast statement and tariff change notice)

34. In regulation 37E—

- (a) in paragraph (2)(b), omit “other than “biomethane and biogas combustion””;
- (b) for paragraph (2)(c) substitute—
 - “(c) the forecast for expenditure in relation to relevant producers”;
- (c) in paragraph (2)(d), before “in relation to” insert “except where regulation 37F applies”;
- (d) in paragraph (3)(b), for “paragraph (1)(b)” substitute “paragraph (2)(b)”;
- (e) in paragraph (3)(c), for “paragraph (1)(d)” substitute “paragraph (2)(d) or, if applicable, regulation 37F”;
- (f) in paragraph (4), for “(7A)” substitute “(8)”.

Determination of increase in expenditure forecasts for 1st September 2014 expenditure forecast statement

35. After regulation 37E insert—

“Determination of increase in expenditure forecasts for 1st September 2014 expenditure forecast statement

37F.—(1) This regulation applies when the Secretary of State prepares to publish the expenditure forecast statement which, by virtue of regulation 37E(6), must be published by 1st September 2014.

(2) Where this regulation applies, the Secretary of State must determine the increase in expenditure forecast for each tariff category in accordance with paragraph (3).

(3) For the purposes of paragraph (2)—

(a) the increase in expenditure forecast for a tariff category specified in the first column of table 1 is the difference between—

(i) the forecast for expenditure as at 31st July 2014 for that tariff category; and

(ii) the forecast for expenditure as at 30th April 2014 for the corresponding former tariff category in the second column of table 1, or where more than one former tariff category is specified, the sum of the forecast for expenditure for those former tariff categories;

(b) the increase in expenditure forecast for any other tariff category is 0.

(3) In this regulation “former tariff category” means the category of plant which is described in the second and third columns of Schedule 3 and identified by a tariff name in the first column of that Schedule.

Table 1

<i>Tariff category</i>	<i>Former tariff category</i>
Small biomass plants	Small commercial biomass
Medium biomass plants	Medium commercial biomass
Large biomass plants	Large commercial biomass
Ground source heat pumps	Small commercial heat pumps and large commercial heat pumps
Plants which use solar collectors	All solar collectors
Producers of biomethane for injection	Biomethane and small biogas combustion”

Amendment to regulation 39

36. In regulation 39, in paragraph (2), after “Subject to regulations” insert “39C”.

Amendment to regulation 39A (periodic support payments for new accredited RHI installations)

37. In regulation 39A, in paragraph (2), after “Subject to regulations” insert “23(2) and 39C”.

Periodic support payments for CHP systems using biomass or biogas in combination with other sources of energy

38. After regulation 39A insert—

“Periodic support payments for CHP systems using biomass or biogas in combination with other sources of energy

39B.—(1) This regulation applies to participants who own an accredited RHI installation which is a CHP system using solid biomass or biogas in combination with other sources of energy.

(2) Subject to regulation 23(2) and 39C, where this regulation applies, participants shall be paid periodic support payments for the installation in respect of each quarterly period calculated in accordance with the following formula—

$$(A \times B) + (C \times (D - E))$$

where—

- (a) A is the tariff in respect of any heat generated by the installation using solid biomass determined in accordance with regulations 37 to 37D;
- (b) B is the kWhth of heat generated by the installation from solid biomass burned in a combustion unit to which regulation 9(2)(b) or 9A applies or solid biomass contained in waste burned in a combustion unit to which regulation 9(2)(b) applies, calculated in accordance with paragraph (3), and which is used for eligible purposes;
- (c) C is the tariff in respect of any heat generated using biogas determined in accordance with regulations 37 to 37D;
- (d) D is the kWhth of heat generated by the installation from biogas, calculated in accordance with paragraph (4), and which is used for eligible purposes;
- (e) E is the heat in kWhth directed from the installation or delivered from any other source to the biogas production plant which produced the biogas combusted in the relevant quarterly period (other than heat contained in feedstock to produce biogas by anaerobic digestion) or, where there is no such heat, 0.

(3) B shall be calculated in accordance with the following equation—

$$B = H_{CHP} \times FI_B \div (FI_B + FI_{other})$$

where—

- (a) H_{CHP} is the total heat in kWhth generated by the installation in the relevant quarterly period which is used for eligible purposes;
- (b) FI_B is the energy content of the solid biomass (excluding the energy content of any fossil fuel contamination in such biomass) to which regulation 9(2)(b) or 9A applies or solid biomass contained in waste burned in a combustion unit to which regulation 9(2)(b) applies and used in the installation to generate heat and power during the relevant quarterly period;
- (c) FI_{other} is the energy content of all other fuel used in the installation in the relevant quarterly period, including the energy content of any fossil fuel contamination or fossil fuel used in the CHP system for permitted ancillary purposes in accordance with regulation 28 or 29.

(4) D shall be calculated in accordance with the following equation—

$$D = H_{CHP} \times FI_D \div (FI_D + FI_{other})$$

where—

- (a) H_{CHP} is the total heat in kWhth generated by the installation during the relevant quarterly period which is used for eligible purposes;
- (b) FI_{D} is the energy content of the biogas used in the installation during the relevant quarterly period;
- (c) FI_{other} is the energy content of all other fuel used in the installation during the relevant quarterly period, including the energy content of any fossil fuel used in the CHP system for permitted ancillary purposes in accordance with regulation 28 or 29.

CHP systems accredited in relation to the Renewables Obligation

39C.—(1) No periodic support payments may be made in relation any heat generated by any capacity of a CHP system to which paragraph (2) or (3) applies.

(2) This paragraph applies to capacity which generated heat and electricity before 1st April 2013 and which—

- (a) uses solid biomass or solid biomass contained in waste to generate heat and electricity, and
- (b) forms part of a generating station which—
 - (i) is accredited under the Renewables Obligation Order 2009⁽¹⁵⁾ or the Renewables Obligation (Scotland) Order 2009⁽¹⁶⁾, and
 - (ii) is or at any time since it was so accredited, has been a qualifying combined heat and power generating station within the meaning of article 2 of either of those Orders.

(3) This paragraph applies to capacity which first generates heat and electricity on or after 1st April 2013 and—

- (a) which—
 - (i) uses solid biomass to generate heat and electricity;
 - (ii) forms part of a generating station which is accredited under the Renewables Obligation Order 2009 or the Renewables Obligation (Scotland) Order 2009, and
 - (iii) is capacity in respect of which a declaration under article 28(7) of either of those Orders has been made; or
- (b) which—
 - (i) uses solid biomass contained in waste to generate heat and electricity;
 - (ii) forms part of a generating station which is accredited under the Renewables Obligation Order 2009 or the Renewables Obligation (Scotland) Order 2009; and
 - (iii) forms part of a generating station which is or at any time since it was so accredited, has been a qualifying combined heat and power generating station within the meaning of article 2 of either of those Orders.”.

Amendments to regulation 40 (fossil fuel contamination of solid biomass and fossil fuel used for permitted ancillary purposes)

39. In regulation 40—

(15) S.I. 2009 No. 785 as amended by S.I. 2010/1107 and S.I. 2013/768.

(16) S.S.I. 2009 No. 140 as amended by S.S.I. 2013/116.

- (a) omit “municipal” in each place where it occurs;
- (b) in paragraphs (2) and (3), for “or 39” substitute “, 39 or 39A”.

Amendment to regulation 41 (fossil fuel contamination adjustment to periodic support payments for producers and combusters of biogas produced from gasification and pyrolysis)

- 40.** In regulation 41(2), for “or 39” substitute “39 or 39A”.

Amendments to regulation 42 (periodic support payments to producers of biomethane)

- 41.** In regulation 42—
- (a) before “Participants” insert “Subject to regulation 23(2),”;
 - (b) in the definition of A, for “biomethane and biogas combustion tariff” substitute “tariff relevant to biomethane injection”;
 - (c) in the definition of B, at the end insert “(or the sum of the maximum initial capacity together with any maximum additional capacity which has been specified under regulation 43A, if lower)”;
 - (d) for the definition of E substitute—

“E is the kWhth of heat supplied to the biomethane production process in that quarterly period from any heat source other than heat generated from the combustion of biogas by the plant which supplies that process; and”.

Substitution of regulation 43 (treatment of additional RHI capacity)

- 42.** For regulation 43 substitute—

“Additional RHI capacity

43.—(1) Paragraphs (4) to (7) apply where the Authority accredits additional RHI capacity which is first commissioned less than 12 months after the date on which the original installation was first commissioned.

(2) Paragraph (8) applies where the Authority accredits additional RHI capacity which is first commissioned 12 months or more after the date on which the original installation was first commissioned.

- (3) In this regulation “additional RHI capacity” means a plant which is—
- (a) first commissioned after the date on which an accredited RHI installation (“the original installation”) was first commissioned;
 - (b) uses the same source of energy and technology as the original installation; and
 - (c) supplies heat to the same heating system as that of which the original installation forms part.

(4) Subject to paragraphs (5) and (6), from the date of accreditation of additional RHI capacity to which this paragraph applies, the tariff for both the original installation and the additional RHI capacity is the applicable tariff for the source of energy and technology based on the sum of the installation capacity of the original installation and the additional RHI capacity, and—

- (a) in respect of heat generated by the original installation, calculated in accordance with regulations 37 to 37D as at the tariff start date of that original installation; and

(b) in respect of heat generated by the additional RHI capacity, calculated in accordance with regulations 37 to 37D as at the tariff start date of that additional capacity.

(5) Where the original installation generates heat using solid biomass and—

- (a) the tariff start date of the original installation is before 21st January 2013;
- (b) the additional RHI capacity is accredited on or after 21st January 2013,
- (c) the installation capacity of the original installation is below 1MWth; and
- (d) the sum of the installation capacity of the original installation and the additional RHI capacity is 1MWth or above,

from the third relevant date, the tariff for both the original installation and that additional RHI capacity shall be the tariff applicable to large biomass plants in Schedule 3A, calculated in accordance with regulations 37 to 37D.

(6) Where the accreditation is in respect of an installation which generates heat from biogas combustion and—

- (a) the tariff start date of the original installation is before 4th December 2013;
- (b) the additional RHI capacity is first commissioned on or after 4th December 2013; and
- (c) the sum of the installation capacity of the original installation and the additional RHI capacity is 200kWth or above,

from the third relevant date, the tariff for both the original installation and that additional RHI capacity shall be the applicable tariff in Schedule 3B based on the sum of the installation capacity of the original installation and the additional RHI capacity, calculated in accordance with regulation 37 to 37D.

(7) Where the date of accreditation of the original installation is before the relevant date, periodic support payments in respect of both the original installation and the additional RHI capacity shall terminate with the tariff end date of the original installation.

(8) Where this paragraph applies—

- (a) the tariff for the original installation shall continue to be the applicable tariff for the source of energy or technology and installation capacity of that original installation;
- (b) that tariff shall be calculated in accordance with regulation 37 to 37D as at the tariff start date of that original installation;
- (c) the tariff for the additional RHI capacity shall be the applicable tariff for the source of energy or technology based on the sum of the installation capacity of the original installation and the additional RHI capacity; and
- (d) that tariff shall be calculated in accordance with regulation 37 to 37D as at the tariff start date of that additional RHI capacity.

(9) All additional RHI capacity must be metered so as to enable the heat generated by such additional capacity and used for eligible purposes to be distinguished from the heat so generated by the original installation.

(10) Where an application for accreditation of additional RHI capacity is made on or after the second relevant date, the eligibility requirements in regulations 5(1)(d) and 17A will apply to that additional RHI capacity.”.

Additional capacity for biomethane production

43. After regulation 43 insert—

“Additional capacity for biomethane production

43A.—(1) A participant who is—

- (a) a producer of biomethane;
- (b) whose original application for registration was made on or after the third relevant date; and
- (c) who is producing additional biomethane for injection,

may apply to the Authority to be registered in respect of that additional biomethane.

(2) Regulation 23 and paragraphs (2) to (3) and (4) to (8) of regulation 25 apply to an application for registration in respect of additional biomethane as they do to an application for registration under that regulation.

(3) Where a participant is registered in respect of additional biomethane, the Authority must specify the maximum additional capacity in relation to which the participant is being registered.

(4) Periodic support payments for additional biomethane may not be made beyond the tariff end date notified in accordance with regulation 25(4)(d) when the participant was originally registered as a producer of biomethane.

(5) For the purposes of this regulation,

- (a) “additional biomethane” means any biomethane—
 - (i) which exceeds the sum of the maximum initial capacity, together with any maximum additional capacity previously specified under this regulation; and
 - (ii) is being supplied by the participant for injection at the same injection point as the biomethane in respect of which that participant was first registered.
- (b) “maximum additional capacity” means the volume of biomethane expressed in cubic metres per quarterly period which—
 - (i) is additional biomethane; and
 - (ii) is the maximum volume which a participant is entitled to supply for injection under the Network Entry Agreement applicable to that additional biomethane.”.

Amendments to regulation 50 (power to inspect accredited RHI installations)

44. In regulation 50—

- (a) in the heading, after “accredited RHI installations” insert “and equipment used to produce biomethane”;
- (b) in paragraph (1) after “accredited RHI installation” insert “and equipment used to produce biomethane”.

Amendments to Schedule 1 (information required for accreditation and registration)

45. In Schedule 1—

- (a) in paragraph 1(2)(m) omit “municipal”;
- (b) after paragraph 1(2)(k) insert—
 - “(ka) in the case of a plant which is a CHP system, evidence which demonstrates to the Authority’s satisfaction any capacity to which paragraphs (2) and (3) of regulation 39C apply;”;

- (c) for paragraph 1(2)(n) substitute—
- “(n) where the plant is a ground source heat pump or air source heat pump, evidence which demonstrates to the Authority’s satisfaction—
- (i) that the heat pump meets a coefficient of performance of at least 2.9;
 - (ii) in relation to an application for accreditation after the third relevant date, evidence that the heat pump has been designed to operate with a minimum seasonal performance factor of at least 2.5;
- (na) in the case of a ground source heat pump in respect of which accreditation is granted on or after the third relevant date a declaration from the installer that the size of the heat pump has been determined appropriately for the planned heat use;
- (nb) in the case of a ground source heat pump in respect of which accreditation is granted on or after the third relevant date and which is capable of heating and cooling, a declaration from the installer—
- (i) as to the design heat load;
 - (ii) that the design heat load has been calculated according to BS EN 12831:2003; and
 - (iii) as to the outdoor temperatures used in the calculation of the design heat load;”;
- (d) after paragraph 1(4) insert—
- “(5) For the purposes of sub-paragraph (n)(ii)—
- (a) where the heat pump has an installation capacity of 45kWth or below, a declaration from the installer that the seasonal performance factor was calculated in line with the methodology used in version 1.0 of the MCS 021 heat emitter guide for domestic heat pumps published by the Microgeneration Certification Scheme on 16th December 2013(17) may be accepted as evidence that the heat pump was designed to operate with a minimum seasonal performance factor of 2.5;
 - (b) where the heat pump has an installation capacity of more than 45kWth, a declaration by the installer that the heat pump has been designed to operate with a seasonal performance factor of at least 2.5 may be accepted as evidence of that fact, provided that the installation design and supporting calculations are retained by the participant and can be provided the Authority on request;”.

Amendments to Schedule 3 (tariffs)

46. In Schedule 3, in Table 1—

- (a) in the first row (small commercial biomass), in the column headed “*sources of energy or technology*”—
 - (i) omit “municipal solid”; and
 - (ii) for “CHP” substitute “CHP systems generating heat and power from solid biomass including solid biomass contained in waste”;
- (b) in the fourth row (small commercial heat pumps) in the column headed “*sources of energy or technology*”, omit “water source heat pump.”; and
- (c) in the last row (biomethane and biogas combustion)—

(17) Details of which are available at www.microgenerationcertification.org.

- (i) in the column headed “*tariff name*”, for “biogas combustion” substitute “small biogas combustion”;
- (ii) in the column headed “*sources of energy and technology*”, after “biogas combustion” insert “including CHP systems generating heat and power from biogas”; and
- (iii) in the column headed “*installation capacity*” for “all biomethane injection and biogas combustion below 200kWth” substitute “biogas combustion below 200kWth and all biomethane injection”.

New tariffs for plants generating heat from biomass with a capacity of 1MWth or above etc

47. After Schedule 3 insert—

“SCHEDULE 3A

Regulation 37(9)

New tariffs for plants generating heat from solid biomass with a capacity of 1 MWth or above, ground source heat pumps and solar collectors

<i>Tariff name</i>	<i>Source of energy or technology</i>	<i>Installation capacity</i>	<i>Tariff (pence/kWh)</i>
New large biomass	Solid biomass including solid biomass contained in waste, including CHP systems generating heat and power from solid biomass	1MWth and above	2.0
New ground source heat pumps	Ground source heat pumps	All capacities	Tier 1: 8.7 Tier 2: 2.6
New solar collectors	Solar collectors	Less than 200kWth	10.0

SCHEDULE 3B

Regulation 37(10)

New tariffs for new solid biomass CHP systems, deep geothermal energy, biogas combustion with a capacity of 200kWth and above and air source heat pumps

<i>Tariff name</i>	<i>Source of energy or technology</i>	<i>Installation capacity</i>	<i>Tariff (pence/kWh)</i>
New solid biomass CHP systems	Solid biomass (excluding solid biomass contained in waste) used in CHP systems which comply with the requirements in regulation 9A	All capacities	4.1

<i>Tariff name</i>	<i>Source of energy or technology</i>	<i>Installation capacity</i>	<i>Tariff (pence/kWh)</i>
New deep geothermal	Deep geothermal energy, including CHP systems generating heat and power from such energy	All capacities	5
Medium biogas	Biogas combustion	200kWth and above up to but not including 600kWth	5.9
Large biogas	Biogas combustion	600kWth and above	2.2
Air source heat pumps	Air source heat pumps	All capacities	2.5”

Substitution of Schedule 4 (total expenditure)

48. For Schedule 4 substitute—

“SCHEDULE 4

Regulations 37C and 37D

Total expenditure

<i>Assessment date</i>	<i>Total expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>
30th April 2013	£ 97.2 million	£ 48.6 million
31st July 2013	£ 120.2 million	£ 60.1 million
31st October 2013	£ 143.3 million	£ 71.6 million
31st January 2014	£ 166.3 million	£ 83.2 million
30th April 2014	£ 192.8 million	£ 96.4 million
31st July 2014	£ 184.1 million	£ 92.1 million
31st October 2014	£ 207.2 million	£ 103.6 million
31st January 2015	£ 230.3 million	£ 115.1 million
30th April 2015	£ 260.9 million	£ 130.4 million
31st July 2015	£ 306.2 million	£ 153.1 million
31st October 2015	£ 351.5 million	£ 175.7 million
Any date after 30th January 2016	£ 396.8 million	£ 198.4 million”

Substitution of Schedule 5 (expenditure in relation to individual technologies)

49. For Schedule 5 substitute—

“SCHEDULE 5

Regulations 37C and 37D

Expenditure in relation to individual technologies

PART 1

Small biomass plants

Table 1

Small biomass plants

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold for when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 14.8 million	£ 22.2 million	
31st July 2013	£ 16.7 million	£ 25.1 million	£ 2.9 million
31st October 2013	£ 18.7 million	£ 28.0 million	£ 2.9 million
31st January 2014	£ 20.6 million	£ 30.9 million	£ 2.9 million
30th April 2014	£ 22.6 million	£ 34.0 million	£ 3.1 million
31st July 2014	£ 48.8 million	£ 58.6 million	£ 8.7 million
31st October 2014	£ 56.0 million	£ 67.2 million	£ 8.7 million
31st January 2015	£ 63.2 million	£ 75.9 million	£ 8.7 million
30th April 2015	£ 71.1 million	£ 85.3 million	£ 9.5 million
31st July 2015	£ 80.3 million	£ 96.4 million	£ 11.0 million
31st October 2015	£ 89.5 million	£ 107.4 million	£ 11.0 million
Any date after 30th January 2016	£ 98.7 million	£ 118.5 million	£ 11.0 million

PART 2

Medium biomass plants

Table 2

Medium biomass plants

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold for when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 13.4 million	£ 20.1 million	

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2013	£ 15.5 million	£ 23.2 million	£ 3.1 million
31st October 2013	£ 17.6 million	£ 26.3 million	£ 3.1 million
31st January 2014	£ 19.6 million	£ 29.4 million	£ 3.1 million
30th April 2014	£ 21.8 million	£ 32.7 million	£ 3.3 million
31st July 2014	£ 43.7 million	£ 52.5 million	£ 6.3 million
31st October 2014	£ 49.0 million	£ 58.8 million	£ 6.3 million
31st January 2015	£ 54.2 million	£ 65.1 million	£ 6.3 million
30th April 2015	£ 59.9 million	£ 71.8 million	£ 6.7 million
31st July 2015	£ 66.2 million	£ 79.4 million	£ 7.6 million
31st October 2015	£ 72.5 million	£ 87.0 million	£ 7.6 million
Any date after 30th January 2016	£ 78.8 million	£ 94.5 million	£ 7.6 million

PART 3

Large biomass plants

Table 3

Large biomass plants

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 23.1 million	£ 34.7 million	
31st July 2013	£ 27.6 million	£ 41.3 million	£ 6.6 million
31st October 2013	£ 32 million	£ 48 million	£ 6.7 million
31st January 2014	£ 36.4 million	£ 54.6 million	£ 6.6 million
30th April 2014	£ 41.2 million	£ 61.8 million	£ 7.2 million
31st July 2014	£ 10.9 million	£ 16.3 million	£ 2.2 million
31st October 2014	£ 12.4 million	£ 18.5 million	£ 2.2 million
31st January 2015	£ 13.9 million	£ 20.8 million	£ 2.2 million
30th April 2015	£ 15.8 million	£ 23.8 million	£ 3.0 million
31st July 2015	£ 18.8 million	£ 28.2 million	£ 4.5 million
31st October 2015	£ 21.8 million	£ 32.7 million	£ 4.5 million

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
Any date after 30th January 2016	£ 24.8 million	£ 37.2 million	£ 4.5 million

PART 4

Heat pumps (except air source heat pumps)

Table 4

Heat pumps (except air source heat pumps) with an installation capacity of less than 100 kWth

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 28.9 million	£ 43.4 million	
31st July 2013	£ 36.3 million	£ 54.4 million	£ 11 million
31st October 2013	£ 43.6 million	£ 65.5 million	£ 11.1 million
31st January 2014	£ 51 million	£ 76.5 million	£ 11 million
30th April 2014	£ 59.7 million	£ 89.5 million	£ 13 million

Table 5

Heat pumps (except air source heat pumps) with an installation capacity of 100 kWth and above

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 4.9 million	£ 4.9 million	
31st July 2013	£ 6 million	£ 6 million	£ 1.1 million
31st October 2013	£ 7.2 million	£ 7.2 million	£ 1.2 million
31st January 2014	£ 8.3 million	£ 8.3 million	£ 1.1 million
30th April 2014	£ 9.6 million	£ 9.6 million	£ 1.3 million

Table 6**Ground source heat pumps**

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2014	£ 7.4 million	£ 11.1 million	£ 2.3 million
31st October 2014	£ 8.9 million	£ 13.3 million	£ 2.3 million
31st January 2015	£ 10.4 million	£ 15.6 million	£ 2.3 million
30th April 2015	£ 12.6 million	£ 18.9 million	£ 3.3 million
31st July 2015	£ 16.2 million	£ 24.2 million	£ 5.4 million
31st October 2015	£ 19.7 million	£ 29.6 million	£ 5.4 million
Any date after 30th January 2016	£ 23.3 million	£ 35.0 million	£ 5.4 million

PART 5**Plants using solar collectors****Table 7****Plants using solar collectors**

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 4.9 million	£ 4.9 million	
31st July 2013	£ 6 million	£ 6 million	£ 1.1 million
31st October 2013	£ 7.2 million	£ 7.2 million	£ 1.2 million
31st January 2014	£ 8.3 million	£ 8.3 million	£ 1.1 million
30th April 2014	£ 9.6 million	£ 9.6 million	£ 1.3 million
31st July 2014	£ 3.9 million	£ 3.9 million	£ 0.8 million
31st October 2014	£ 4.7 million	£ 4.7 million	£ 0.8 million
31st January 2015	£ 5.5 million	£ 5.5 million	£ 0.8 million
30th April 2015	£ 6.5 million	£ 6.5 million	£ 0.9 million
31st July 2015	£ 7.5 million	£ 7.5 million	£ 1.1 million
31st October 2015	£ 8.6 million	£ 8.6 million	£ 1.1 million

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
Any date after 30th January 2016	£ 9.8 million	£ 9.8 million	£ 1.1 million

PART 6

Producers of biomethane for injection and plants which generate heat from biogas

Table 8

Producers of biomethane for injection and plants which generate heat from biogas

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
30th April 2013	£ 12 million	£ 18 million	
31st July 2013	£ 18.1 million	£ 27.2 million	£ 9.2 million
31st October 2013	£ 24.2 million	£ 36.3 million	£ 9.1 million
31st January 2014	£ 30.3 million	£ 45.5 million	£ 9.2 million
30th April 2014	£ 37 million	£ 55.5 million	£ 10 million

Table 9

Plants which generate heat from biogas

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2014	£ 3.9 million	£ 3.9 million	£ 0.8 million
31st October 2014	£ 4.7 million	£ 4.7 million	£ 0.8 million
31st January 2015	£ 5.5 million	£ 5.5 million	£ 0.8 million
30th April 2015	£ 6.5 million	£ 6.5 million	£ 0.9 million
31st July 2015	£ 7.5 million	£ 7.5 million	£ 1.1 million
31st October 2015	£ 8.6 million	£ 8.6 million	£ 1.1 million
Any date after 30th January 2016	£ 9.8 million	£ 9.8 million	£ 1.1 million

Table 10**Producers of biomethane for injection**

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2014	£ 41.5 million	£ 49.8 million	£ 5.1 million
31st October 2014	£ 45.9 million	£ 55.1 million	£ 5.3 million
31st January 2015	£ 50.3 million	£ 60.4 million	£ 5.3 million
30th April 2015	£ 57.5 million	£ 69.0 million	£ 8.6 million
31st July 2015	£ 70.2 million	£ 84.2 million	£ 15.2 million
31st October 2015	£ 82.8 million	£ 99.4 million	£ 15.2 million
Any date after 30th January 2016	£ 95.5 million	£ 114.6 million	£ 15.2 million

PART 7**New biomass CHP systems****Table 11****New solid biomass CHP systems**

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2014	£ 17.9 million	£ 26.9 million	
31st October 2014	£ 18.8 million	£ 28.2 million	£ 1.4 million
31st January 2015	£ 19.7 million	£ 29.6 million	£ 1.4 million
30th April 2015	£ 22.8 million	£ 34.2 million	£ 4.7 million
31st July 2015	£ 30.3 million	£ 45.5 million	£ 11.2 million
31st October 2015	£ 37.8 million	£ 56.7 million	£ 11.2 million
Any date after 30th January 2016	£ 45.3 million	£ 68.0 million	£ 11.2 million

PART 8

Deep geothermal plants

Table 12

Deep geothermal plants

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold for when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2014	£ 3.9 million	£ 3.9 million	
31st October 2014	£ 4.7 million	£ 4.7 million	£ 0.8 million
31st January 2015	£ 5.5 million	£ 5.5 million	£ 0.8 million
30th April 2015	£ 6.5 million	£ 6.5 million	£ 0.9 million
31st July 2015	£ 7.5 million	£ 7.5 million	£ 1.1 million
31st October 2015	£ 8.6 million	£ 8.6 million	£ 1.1 million
Any date after 30th January 2016	£ 9.8 million	£ 9.8 million	£ 1.1 million

PART 9

Air source heat pumps

Table 13

Air source heat pumps

<i>Assessment date</i>	<i>Expenditure anticipated for subsequent year</i>	<i>Expenditure threshold for when calculating C for the purposes of regulation 37A</i>	<i>Anticipated increase in expenditure since previous assessment date</i>
31st July 2014	£ 12.2 million	£ 18.3 million	
31st October 2014	£ 14.0 million	£ 21.0 million	£ 2.7 million
31st January 2015	£ 15.8 million	£ 23.7 million	£ 2.7 million
30th April 2015	£ 17.9 million	£ 26.8 million	£ 3.2 million
31st July 2015	£ 20.7 million	£ 31.0 million	£ 4.2 million
31st October 2015	£ 23.4 million	£ 35.1 million	£ 4.2 million
Any date after 30th January 2016	£ 26.2 million	£ 39.3 million	£ 4.2 million"

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory
Instrument: *The Renewable Heat Incentive Scheme (Amendment) Regulations 2014 No. 1413*

Date 2014

Name
Parliamentary Under Secretary of State
Department of Energy and Climate Change

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which apply to Great Britain, amend the Renewable Heat Incentive Scheme Regulations 2011 (“the principal regulations”).

Regulation 3 amends a number of the definitions in the principal regulations.

Regulation 6 removes the requirement that participants generating heat from waste must use only municipal waste.

Regulation 8 substitutes a new regulation 8 specifying the eligibility criteria for plants which generate heat using ground source heat pumps. Heat pumps which are accredited after these regulations come into force will be required to demonstrate a seasonal performance factor of at least 2.5. Such heat pumps will be permitted to use energy from a wider variety of sources including waste from processes.

Regulation 9 specifies eligibility criteria for plants which are air source heat pumps.

Regulation 10 substitutes a new regulation 9 specifying the eligibility criteria for plants which are CHP systems. CHP systems which are accredited after these regulations come into force will be permitted to use energy from more than one type of fuel provided the different fuels are burned in separate combustion units.

Regulation 11 specifies the eligibility criteria for certain CHP systems which generate heat and electricity from biomass and which may be eligible for a specific tariff set out in Schedule 3B provided they are certified under the Combined Heat and Power Quality Assurance standard.

Regulation 14 substitutes a new regulation 13 amending the requirements for certification under the Microgeneration Certification Scheme (MCS) for plants below 45kWth in capacity.

Regulation 16 makes provision for metering in order to enable the seasonal performance factor of a heat pump to be calculated.

Regulation 18 substitutes a new regulation 23 which amends the rules relating to the payment of grants from public funds for the purchase of plant or equipment used to produce biomethane. This regulation makes provision for a grant funding deduction in specified circumstances.

Regulation 19 amends regulation 25 of the principal regulations, in particular by providing that a maximum initial capacity will be specified on the first occasion when a producer of biomethane is registered.

Regulation 21 introduces a new provision which will allow producers of biomethane to apply for preliminary registration.

Regulation 23 amends regulation 28 of the principal regulations to make provision for participants generating heat from solid biomass contained in waste, in particular to provide that the proportion of biomass must be at least 10%.

Regulation 28 amends regulation 34 of the principal regulations to make provision for additional ongoing obligations, in particular in relation to CHP systems.

Regulation 29 substitutes a new regulation 37 in the principal regulations. This provides in particular for the new tariffs set out in Schedules 3A (amended tariffs in relation to large biomass, ground source heat pumps and solar collectors) and 3B (amended tariffs for biomass CHP systems and deep geothermal and the introduction of support for air source heat pumps and biogas combustion over 200kWth).

Regulations 31 to 35 make further provision in relation to the calculation of tariffs and expenditure forecasts. Regulation 35 inserts a new regulation 37F in the principal regulations to prescribe how the Secretary of State is to determine the increase in expenditure forecast to be published on 1st September 2014 in the light of changes made by these regulations to the tariff categories.

Regulation 38 introduces provisions relating to the calculation of periodic support payments for CHP systems which generate heat from solid biomass or biogas together with other types of fuel.

Regulation 38 also inserts a new regulation 39C in the principal regulations, in relation to the calculation of periodic support payments. It provides that no payments may be made for heat generated by any capacity of a CHP system in respect of which payments under the Renewables Obligation Order 2009 or the Renewables Obligation (Scotland) Order 2009 are payable.

Regulation 42 substitutes a new regulation 43 in the principal regulations to provide for the accreditation of additional capacity and setting out how periodic support payments will be paid in respect of such additional capacity.

Regulation 43 inserts a new regulation 43A in the principal regulations to provide for registration in respect of additional capacity for biomethane. A maximum additional capacity will be specified where a participant is registered in respect of such additional capacity.

Regulation 45 makes various amendments to Schedule 1 in relation to the information which is to be provided by an applicant for accreditation or registration.

Regulation 46 makes various amendments to Schedule 3 of the principal regulations relating to tariffs.

Regulation 47 inserts new Schedules 3A and 3B providing different tariffs for certain eligible installations.

Regulation 48 substitutes a new Schedule 4 in the principal regulations to specify updated total expenditure thresholds for the calculation of tariffs in accordance with regulations 37C and 37D.

Regulation 49 substitutes a new Schedule 5 in the principal regulations, to specify updated expenditure thresholds for individual technologies for the calculation of tariffs in accordance with regulations 37C and 37D. The thresholds in Schedules 4 and 5 form part of the cost control mechanism in the regulations.

Documents published on www.microgenerationcertification.org are also available from Gemserv Limited at 10 Fenchurch Street, London, EC3M 3BE.

Documents which can be obtained from the British Standards Institution at www.bsigroup.com can also be obtained from the British Standards Institution customer services at 389 Chiswick High Road, London, W4 4AL upon payment of a fee.

Documents published on www.decc.gov.uk can also be obtained from the Department of Energy and Climate Change at 3 Whitehall Place, London, SW1A 2AW.

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available from the Department of Energy and Climate Change at 3 Whitehall Place, London, SW1A 2AW and is published with the Explanatory Memorandum alongside the instrument on www.legislation.gov.uk.