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STATUTORY INSTRUMENTS

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**2018 No. 611**

**The Renewable Heat Incentive Scheme Regulations 2018**

**PART 1**

**Introductory provisions**

**Renewable heat incentive scheme**

**3.—**(1) These Regulations make provision for the continuation of the incentive scheme to facilitate and encourage the renewable generation of heat (“the Scheme”) established by the Renewable Heat Incentive Scheme Regulations 2011<sup>(1)</sup> (which are revoked by regulation 92).

(2) Subject to paragraph (4) and Parts 6 and 9, the Authority must make, to participants who are owners of accredited RHI installations, payments (referred to in these Regulations as “periodic support payments”) for generating heat that is—

- (a) used in a building for any of the following purposes—
  - (i) heating a space;
  - (ii) heating water;
  - (iii) carrying out a process; or
- (b) used otherwise than in a building for either of the following purposes carried out on a commercial basis—
  - (i) cleaning;
  - (ii) drying.

(3) Subject to Part 9, the Authority must make periodic support payments to participants who are producers of biomethane for injection.

(4) The Authority must not make periodic support payments for the generation of heat by an accredited RHI installation which the Authority considers is used for an excluded heat use.

(5) For the purposes of paragraph (4), the following are excluded heat uses—

- (a) drying digestate, where the heat is generated by an accredited RHI installation with a tariff start date—
  - (i) on or after the date on which these Regulations come into force; or
  - (ii) on or after 14th December 2016 but before the date on which these Regulations come into force, provided that the participant has elected to be subject to this regulation by notice to the Authority no later than one month after the date on which these Regulations come into force;
- (b) where paragraph (6) applies—
  - (i) drying woodfuel, except where the heat is generated by an installation to which paragraph (7) or (8) applies;

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<sup>(1)</sup> S.I. 2011/2860, as amended by S.I. 2013/1033, 2013/2410, 2013/3179, 2014/1413, 2015/197, 2015/477, 2016/718, 2016/1197, 2017/727 and 2017/857.

- (ii) drying, cleaning, or processing waste;
- (iii) heating water in a swimming pool, other than one which is used for a municipal or commercial purpose.

(6) This paragraph applies where—

- (a) the application for accreditation, including an application for additional RHI capacity, is received by the Authority; or
- (b) the participant otherwise begins to use heat generated by the installation for a use in paragraph (5)(b),

on or after the date on which these Regulations come into force;

(7) This paragraph applies to an installation where the Authority is satisfied that—

- (a) the installation replaces a fossil fuel heat source which has been used to dry woodfuel in two out of the three preceding years;
- (b) the installation will meet a heat demand for commercial woodfuel drying that has existed previously in any two of the preceding three years; and
- (c) the capacity or heat output, or both, of the installation is not more than 10% above that of the fossil fuel heat source it replaces.

(8) This paragraph applies to an installation where—

- (a) the Authority is satisfied that the development of the installation commenced before 29th January 2018; and
- (b) the application for accreditation was, in the Authority’s opinion, properly made no later than 6 months after the date on which these Regulations come into force.

(9) For the purposes of paragraph (5)(b)(i) the Authority may request evidence from the applicant to demonstrate that the wood which is being, or is intended to be, dried is not woodfuel.

(10) For the purposes of paragraph (8)(a) the Authority may request evidence from the applicant, including in particular—

- (a) that—
  - (i) any necessary planning permission has been granted; or
  - (ii) planning permission is not required;
- (b) of construction costs of the installation;
- (c) that any necessary equipment has been ordered or received and paid for.

(11) For the purposes of paragraph (5)—

“digestate” means any substance, except biogas, which is generated from a biogas production plant producing biogas by anaerobic digestion;

“woodfuel” means any wood which is intended to be burned, including in particular—

- (a) woodchip;
- (b) logs;
- (c) pellets;
- (d) briquettes; and
- (e) waste wood including sawdust,

regardless of whether the wood will undergo any other process before burning.