STATUTORY INSTRUMENTS

# 2019 No. 1052

# ENERGY

The Renewable Heat Incentive Scheme and Domestic Renewable Heat Incentive Scheme (Amendment) Regulations 2019

11:00 a.m. on 26th
June 2019
2:00 p.m. on 26th June 2019
17th July 2019

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The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 100(1), 100(2)(a) and (b) and 104(2) of the Energy Act 2008(1).

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.

## PART 1

### Introduction

#### Citation and commencement

**1.** These Regulations may be cited as the Renewable Heat Incentive Scheme and Domestic Renewable Heat Incentive Scheme (Amendment) Regulations 2019 and come into force on 17th July 2019.

(1) 2008 c.32. Section 100 is amended by section 51 of the Infrastructure Act 2015 (c.7) and S.I. 2011/2195. Section 51 also amended section 105 of the Energy Act 2008 (Parliamentary control of subordinate legislation) and inserted subsections (3A) to (31) concerning provisions which require the affirmative resolution procedure. By virtue of section 105(3A) to (31), these Regulations do not attract the affirmative procedure.

## PART 2

Amendments to the Domestic Renewable Heat Incentive Scheme Regulations 2014

#### Amendments to the Domestic Renewable Heat Incentive Scheme Regulations 2014

**2.** The Domestic Renewable Heat Incentive Scheme Regulations 2014(2) are amended in accordance with this Part.

#### Amendments to Schedule 6 (expenditure for individual technologies)

**3.**—(1) Schedule 6 is amended as follows.

(2) In Part 1 (biomass plants), for Table 1 substitute-

#### "Table 1

Assessment Date	Expenditure threshold	Growth threshold	Super expenditure threshold	Super growth threshold
31st July 2019	£46.82m	£0.66m	£50.15m	£0.93m
31st October 2019	£47.48m	£0.66m	£51.09m	£0.94m
31st January 2020	£48.18m	£0.70m	£52.06m	£0.97m
30th April 2020	£48.94m	£0.76m	£53.10m	£1.04m
31st July 2020	£49.70m	£0.76m	£54.14m	£1.04m
31st October 2020	£50.47m	£0.77m	£55.18m	£1.04m
Any date after 30th January 2021	£51.24m	£0.77m	£56.23m	£1.05m"

(3) In Part 2 (air source heat pumps), for Table 2 substitute—

#### "Table 2

Assessment Date	Expenditure threshold	Growth threshold	Super expenditure threshold	Super growth threshold
31st July 2019	£37.00m	£3.50m	£48.10m	£5.00m
31st October 2019	£40.50m	£3.50m	£53.10m	£5.00m
31st January 2020	£44.00m	£3.50m	£58.10m	£5.00m
30th April 2020	£47.50m	£3.50m	£63.10m	£5.00m
31st July 2020	£51.00m	£3.50m	£68.10m	£5.00m
31st October 2020	£54.50m	£3.50m	£73.10m	£5.00m
Any date after 30th January 2021	£58.00m	£3.50m	£78.10m	£5.00m"

(2) S.I. 2014/928 amended by S.I. 2015/143, 2015/145, 2015/1459, 2016/257, 2017/727, 2017/857, 2018/610 and 2018/635.

#### (4) In Part 3 (ground source heat pumps), for Table 3 substitute—

### "Table 3

Assessment Date	Expenditure threshold	Growth threshold	Super expenditure threshold	Super growth threshold
31st July 2019	£31.67m	£1.56m	£42.15m	£2.43m
31st October 2019	£33.24m	£1.57m	£44.60m	£2.45m
31st January 2020	£34.84m	£1.60m	£47.08m	£2.48m
30th April 2020	£36.48m	£1.64m	£49.59m	£2.52m
31st July 2020	£38.14m	£1.66m	£52.12m	£2.53m
31st October 2020	£39.80m	£1.66m	£54.66m	£2.54m
Any date after 30th January 2021	£41.48m	£1.68m	£57.21m	£2.55m"

(5) In Part 4 (solar thermal plants), for Table 4 substitute—

#### "Table 4

Assessment Date	Expenditure threshold	Growth threshold	Super expenditure threshold	Super growth threshold
31st July 2019	£1.65m	£0.06m	£2.28m	£0.12m
31st October 2019	£1.72m	£0.07m	£2.40m	£0.12m
31st January 2020	£1.79m	£0.07m	£2.52m	£0.12m
30th April 2020	£1.85m	£0.06m	£2.64m	£0.12m
31st July 2020	£1.92m	£0.07m	£2.75m	£0.11m
31st October 2020	£1.99m	£0.07m	£2.87m	£0.12m
Any date after 30th January 2021	£2.06m	£0.07m	£2.99m	£0.12m"

# PART 3

Amendments to the Renewable Heat Incentive Scheme Regulations 2018

### Amendments to the Renewable Heat Incentive Scheme Regulations 2018

**4.** The Renewable Heat Incentive Scheme Regulations 2018(**3**) are amended in accordance with this Part.

<sup>(</sup>**3**) S.I. 2018/611 as amended by S.I. 2018/635.

#### Amendments to regulation 35 (tariff guarantees)

**5.**—(1) In regulation 35(11), for "The" substitute "In relation to tariff guarantee applications made before 17th July 2019, the".

(2) After regulation 35(11) insert—

"(11A) In relation to tariff guarantee applications made on or after 17th July 2019, the guaranteed tariff does not apply where—

- (a) the tariff start date in relation to an accredited RHI installation is earlier than the date given under paragraph (4)(b) or the tariff start date for a producer of biomethane for injection is earlier than the date given in accordance with paragraph (5)(a);
- (b) the tariff guarantee has been revoked; or
- (c) the tariff start date in relation to an accredited RHI installation or producer of biomethane for injection is—
  - (i) 183 or more days after the date given in accordance with paragraph (4)(b) or (5)(a); or
  - (ii) after 31st January 2021,

whichever is the earlier.".

#### Amendments to Schedule 7 (degression)

6.—(1) Schedule 7 is amended as follows.

(2) For Table 1 (total expenditure) substitute—

#### "Table 1

#### **Total expenditure**

Assessment date	Total expenditure anticipated for subsequent year £million
31st July 2019	894.04
31st October 2019	920.70
31st January 2020	946.55
30th April 2020	967.99
31st July 2020	983.66
31st October 2020	997.53
Any date after 30th January 2021	1,009.26"

(3) For Table 2 (forecast for expenditure: plants which generate heat from solid biomass) substitute—

#### Forecast for expenditure: plants which generate heat from solid biomass

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	1
31st July 2019	421.00	6.00
31st October 2019	427.00	6.00
31st January 2020	433.00	6.00
30th April 2020	439.00	6.00
31st July 2020	445.00	6.00
31st October 2020	451.00	6.00
Any date after 30th Januar 2021	y 457.00	6.00"

(4) For Table 3 (forecast for expenditure: CHP systems) substitute—

#### "Table 3

#### Forecast for expenditure: CHP systems

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	77.50	1.72
31st October 2019	79.22	1.72
31st January 2020	80.94	1.72
30th April 2020	82.66	1.72
31st July 2020	84.38	1.72
31st October 2020	86.10	1.72
Any date after 30th January 2021	87.82	1.72"

(5) For Table 4 (forecast for expenditure: ground source heat pumps and shared ground loop systems with an installation capacity of 100kWth or above) substitute—

# Forecast for expenditure: ground source heat pumps and shared ground loop systems with an installation capacity of 100kWth or above

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	26.00	3.00
31st October 2019	29.00	3.00
31st January 2020	32.00	3.00
30th April 2020	35.00	3.00
31st July 2020	38.00	3.00
31st October 2020	41.00	3.00
Any date after 30th January 2021	44.00	3.00"

(6) For Table 5 (forecast for expenditure: ground source heat pumps and shared ground loop systems with an installation capacity of below 100kWth and air source heat pumps) substitute—

#### "Table 5

# Forecast for expenditure: ground source heat pumps and shared ground loop systems with an installation capacity of below 100kWth and air source heat pumps

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	9.22	0.64
31st October 2019	9.86	0.64
31st January 2020	10.53	0.66
30th April 2020	11.23	0.70
31st July 2020	11.94	0.71
31st October 2020	12.65	0.71
Any date after 30th January 2021	13.37	0.72"

(7) For Table 6 (forecast for expenditure: plants which use solar collectors) substitute—

#### Forecast for expenditure: plants which use solar collectors

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	1.00	0.50
31st October 2019	1.50	0.50
31st January 2020	2.00	0.50
30th April 2020	2.50	0.50
31st July 2020	3.00	0.50
31st October 2020	3.50	0.50
Any date after 30th January 2021	4.00	0.50"

(8) For Table 7 (forecast for expenditure: plants which generate heat from biogas with a capacity below 600kWth) substitute—

#### "Table 7

# Forecast for expenditure: plants which generate heat from biogas with a capacity below 600kWth

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	57.00	0.90
31st October 2019	57.90	0.90
31st January 2020	58.80	0.90
30th April 2020	59.70	0.90
31st July 2020	60.60	0.90
31st October 2020	61.50	0.90
Any date after 30th January 2021	62.40	0.90"

(9) For Table 8 (forecast for expenditure: producers of biomethane for injection and plants which generate heat from biogas with a capacity of 600kWth and above) substitute—

# Forecast for expenditure: producers of biomethane for injection and plants which generate heat from biogas with a capacity of 600kWth and above

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	389.84	2.00
31st October 2019	391.84	2.00
31st January 2020	393.84	2.00
30th April 2020	395.84	2.00
31st July 2020	397.84	2.00
31st October 2020	399.84	2.00
Any date after 30th January 2021	401.84	2.00"

(10) For Table 9 (forecast for expenditure: deep geothermal plants) substitute-

#### "Table 9

### Forecast for expenditure: deep geothermal plants

Assessment Date	Expenditure threshold when calculating C for the purposes of regulation 60 (£million)	Anticipated increase in expenditure since previous assessment date (£million)
31st July 2019	3.30	0.03
31st October 2019	3.33	0.03
31st January 2020	3.36	0.03
30th April 2020	3.38	0.02
31st July 2020	3.41	0.03
31st October 2020	3.43	0.02
Any date after 30th January 2021	3.46	0.03"

Chris Skidmore Minister of State Department for Business, Energy and Industrial Strategy

11:00 a.m. on 26th June 2019

#### **EXPLANATORY NOTE**

#### (This note is not part of the Regulations)

This instrument amends the Domestic Renewable Heat Incentive Scheme Regulations 2014 ("the 2014 Regulations") and the Renewable Heat Incentive Scheme Regulations 2018 ("the 2018 Regulations"). The 2014 Regulations established the domestic renewable heat incentive scheme, under which owners of plants which generate heat from specified renewable sources in domestic properties may receive payments at prescribed rates ("tariffs"). The 2018 Regulations revoked and replaced the Renewable Heat Incentive Scheme Regulations 2011, which established the non-domestic renewable heat incentive scheme, under which owners of non-domestic plants which generate heat from specified renewable sources, and producers of biomethane for injection, receive payments for heat used for eligible purposes.

#### Amendments to the 2014 Regulations

Part 2 of these Regulations adjusts the expenditure thresholds in the tables in Schedule 6 in order to align the triggers to the latest deployment assumptions. Deployment assumptions means the level of applicants anticipated to apply to the scheme for each technology or group of technologies.

#### Amendments to the 2018 Regulations

Part 3 of these Regulations amends the 2018 Regulations.

Regulation 5 amends regulation 35 in order to extend the availability of tariff guarantees to 31 January 2021 where an application is made on or after 17 July 2019.

Regulation 6 amends the expenditure thresholds in Schedule 7 in order to align the triggers to the latest deployment assumptions.

A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector will be published during summer 2019, and will be available from the Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London, SW1H 0ET.

The Explanatory Memorandum will be published alongside the instrument on www.legislation.gov.uk.