
STATUTORY INSTRUMENTS

2017 No. 857

**The Renewable Heat Incentive Scheme and
Domestic Renewable Heat Incentive Scheme
(Amendment) (No. 2) Regulations 2017**

PART 3

Amendments to the Domestic Renewable Heat Incentive Scheme Regulations 2014

Amendments to the Domestic Renewable Heat Incentive Scheme Regulations 2014

12. The Domestic Renewable Heat Incentive Scheme Regulations 2014⁽¹⁾ are amended in accordance with this Part.

Amendments to regulation 2 (interpretation)

13. In regulation 2—

- (a) in the definition of “initial tariff” after “plant for” insert “all or part of”;
- (b) after the definition of “seasonal performance factor”, insert—

““second relevant date” means the date of coming into force of the Renewable Heat Incentive Scheme and Domestic Renewable Heat Incentive Scheme (Amendment) (No. 2) Regulations 2017;”;

- (c) in the definition of “subsequent tariff” after “plant for” insert “all or part of”.

Amendment to regulation 26 (duty to make RHI payments)

14. After regulation 26(4) insert—

“(5) In regulations 27 and 28, where the RHI payment for an accredited domestic plant is calculated for a quarterly period which starts before the second relevant date and ends on or after the second relevant date, “applicable initial tariff or subsequent tariff” means, as the case may be—

- (a) the initial tariff which applies to that plant on the second relevant date, as calculated in accordance with regulation 34; or
- (b) the subsequent tariff which applies to that plant on the second relevant date, as calculated in accordance with regulation 37.”.

Amendment to regulation 29 (calculation of deemed annual heat generation)

15. In regulation 29, for paragraphs (2) to (5) substitute—

(1) [S.I. 2014/928](#) amended by [S.I. 2015/143](#), [2015/145](#), [2015/1459](#), [2016/257](#) and [2017/727](#).

“(2) If the accredited domestic plant is a biomass plant which provides space heating, but not heating for domestic hot water, to the RHI property, the deemed annual heat generation is—

- (a) for an accredited domestic plant with a tariff start date before the second relevant date, the heat demand for space heating specified in the relevant EPC for that property; or
- (b) for an accredited domestic plant with a tariff start date on or after the second relevant date, the lower of—
 - (i) the heat demand for space heating specified in the relevant EPC for that property; or
 - (ii) 25,000 kWh.

(3) If the accredited domestic plant is a biomass plant which provides both space heating and domestic hot water heating to the RHI property, the deemed annual heat generation is—

- (a) for an accredited domestic plant with a tariff start date before the second relevant date, the heat demand for space heating and water heating specified in the relevant EPC for that property; or
- (b) for an accredited domestic plant with a tariff start date on or after the second relevant date, the lower of—
 - (i) the heat demand for space heating and water heating specified in the relevant EPC for that property; or
 - (ii) 25,000 kWh.

(4) If the accredited domestic plant is a heat pump which provides space heating, but not heating for domestic hot water, to the RHI property, the deemed annual heat generation is—

- (a) for an accredited domestic plant with a tariff start date before the second relevant date, calculated in accordance with the following formula—

$$A \times \left(1 - \frac{1}{B} \right)$$

where—

- (i) A is the heat demand for space heating specified in the relevant EPC for that property; and
- (ii) B is the seasonal performance factor for the heat pump; or
- (b) for an accredited domestic plant with a tariff start date on or after the second relevant date, the lower of—
 - (i) the result of the formula in sub-paragraph (a); or
 - (ii) the result of the following formula—

$$C \times \left(1 - \frac{1}{B} \right)$$

where—

- (aa) C is 20,000 kWh in the case of an air source heat pump, or 30,000 kWh in the case of a ground source heat pump; and
 - (aa) B is the seasonal performance factor for the heat pump.
- (5) If the accredited domestic plant is a heat pump which provides both space heating and domestic hot water heating to the RHI property, the deemed annual heat generation is—

- (a) for an accredited domestic plant with a tariff start date before the second relevant date, calculated in accordance with the following formula—

$$A \times \left(1 - \frac{1}{B} \right)$$

where—

- (i) A is the heat demand for space heating and water heating specified in the relevant EPC for that property; and
- (ii) B is the seasonal performance factor for the heat pump; or
- (b) for an accredited domestic plant with a tariff start date on or after the second relevant date, the lower of—
- (i) the result of the formula in sub-paragraph (a); or
- (ii) the result of the following formula—

$$C \times \left(1 - \frac{1}{B} \right)$$

where—

- (aa) C is 20,000 kWh in the case of an air source heat pump, or 30,000 kWh in the case of a ground source heat pump; and
- (bb) B is the seasonal performance factor for the heat pump.”.

Amendments to regulation 34 (calculation of initial tariffs)

16.—(1) In regulation 34, after paragraph (2) insert—

“(2A) Where—

- (a) the tariff start date for the plant is on or after 1st April 2017 but before the second relevant date, the initial tariff for the period commencing on the second relevant date and ending on 31st March 2018 is the tariff for the plant’s tariff category set out in Schedule 5A; and
- (b) the tariff start date for the plant is on or after the second relevant date but before 1st January 2018, the initial tariff for the initial tariff period is the tariff for the plant’s tariff category set out in Schedule 5A.”.

(2) In regulation 34(3)—

- (a) for “In any other case” substitute “In any case not falling within paragraph (2) or (2A)”; and
- (b) after “tariff” insert “for the initial tariff period”.

Amendment to regulation 35 (calculation of initial tariffs: calculation of A)

17. For regulation 35(2)(b) and (c) substitute—

- “(b) 1st January, 1st July or 1st October (other than 1st October 2014), A is the initial tariff that would have been applicable if the tariff start date had fallen on the day immediately preceding the commencement of that tariff period (“the previous tariff”);
- (c) 1st April, A is the previous tariff adjusted by the percentage increase or decrease, for the year ending on 31st December immediately preceding the year in which that tariff period falls, in—

- (i) the retail prices index, if the tariff period commences on 1st April 2015 or 1st April 2016; or
 - (ii) the consumer prices index, if the tariff period commences on 1st April of any subsequent calendar year,
- the resulting figure being stated to two decimal places and rounded.”.

Substitution of regulation 37 (calculation of subsequent tariffs)

18. For regulation 37 substitute—

“Calculation of subsequent tariffs

37.—(1) The subsequent tariff for an accredited domestic plant is calculated in accordance with this regulation.

(2) Save as provided in paragraph (3), the subsequent tariff for a financial year is the tariff applicable to the accredited domestic plant immediately prior to the end of the previous financial year, adjusted by the percentage increase or decrease in the relevant measure of inflation for the year ending on 31st December immediately preceding the commencement of the financial year to which the subsequent tariff relates, the resulting figure being stated to two decimal places and rounded.

(3) Where—

- (a) the accredited domestic plant is a biomass plant or heat pump; and
- (b) the tariff start date for that plant is on or after 14th December 2016 but before 1st April 2017,

the subsequent tariff for the period commencing on the second relevant date and ending on 31st March 2018 is the tariff for the plant’s tariff category set out in Schedule 5A.

(4) In this regulation, “relevant measure of inflation” means—

- (a) the retail prices index, if the tariff start date is earlier than 1st April 2016; or
- (b) the consumer prices index, if the tariff start date is on or after 1st April 2016.”.

New Schedule 5A (new tariffs)

19. After Schedule 5 insert—

“SCHEDULE 5A

Regulations 34 and 37

New tariffs

Table 1

<i>Tariff category</i>	<i>Tariff (pence/kWh)</i>
Biomass plants	6.54
Air source heat pumps	10.18
Ground source heat pumps	19.86
Solar thermal plants	20.06”

Amendment of Schedule 6 (expenditure for individual technologies)

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

(2) In Part 1, in Table 1 (biomass plants)—

(a) in the first column of the final row, after “30th January 2017” insert “but before 31st October 2017”;

(b) at the end of the table insert the following rows—

“31st October 2017	£44.25m	£1.31m	£49.65m	£1.78m
31st January 2018	£45.57m	£1.32m	£51.45m	£1.79m
30th April 2018	£46.91m	£1.33m	£53.26m	£1.81m
Any date after 30th July 2018	£48.21m	£1.30m	£55.03m	£1.78m”

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

(a) in the first column of the final row, after “30th January 2017” insert “but before 31st October 2017”;

(b) at the end of the table insert the following rows—

“31st October 2017	£26.89m	£3.22m	£45.04m	£4.82m
31st January 2018	£30.15m	£3.26m	£49.90m	£4.86m
30th April 2018	£33.46m	£3.30m	£54.79m	£4.90m
Any date after 30th July 2018	£36.78m	£3.32m	£59.70m	£4.91m”

(4) In Part 3, in Table 3 (ground source heat pumps)—

(a) in the first column of the final row, after “30th January 2017” insert “but before 31st October 2017”;

(b) at the end of the table insert the following rows—

“31st October 2017	£20.10m	£1.36m	£27.25m	£1.99m
31st January 2018	£21.48m	£1.38m	£29.25m	£2.00m
30th April 2018	£22.87m	£1.39m	£31.27m	£2.02m
Any date after 30th July 2018	£24.26m	£1.39m	£33.29m	£2.02m”

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

(a) in the first column of the final row, after “30th January 2017” insert “but before 31st October 2017”;

(b) at the end of the table insert the following rows—

“31st October 2017	£1.83m	£0.29m	£4.22m	£0.48m
31st January 2018	£2.12m	£0.29m	£4.70m	£0.49m
30th April 2018	£2.42m	£0.30m	£5.19m	£0.49m

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Any date after 30th July 2018	£2.72m	£0.30m	£5.69m	£0.49m”
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