
STATUTORY INSTRUMENTS

2021 No. 76

**The Domestic Renewable Heat Incentive
Scheme and Renewable Heat Incentive
Scheme (Amendment) Regulations 2021**

PART 3

Amendment of the Renewable Heat Incentive Scheme Regulations 2018

CHAPTER 2

Amendment of Part 2

Insertion of regulations 3A to 3C

9. After regulation 3 (renewable heat incentive scheme) insert—

“Closure of the Scheme to applications

3A.—(1) Subject to this regulation—

- (a) the Scheme is closed to applications from midnight at the end of 31st March 2021 (“Scheme closure”); and
- (b) the Authority must not grant an application where it would result in a tariff start date that falls on or after 1st April 2021.

(2) An applicant under regulation 3B who is granted an extension of time under that regulation may make an application for accreditation under regulation 30 on or before 31st March 2022.

(3) Paragraph (4) applies where, on or after 20th July 2020—

- (a) the Authority issues a notice under regulation 35(7) or re-issues such a notice under regulation 35(7A) or (8A); and
- (b) the notice states a date which falls after Scheme closure as the date by which, for the purposes of the tariff guarantee, the plant must be commissioned or injection of biomethane must commence.

(4) The applicant to whom the notice was issued may, on or before 31st March 2022—

- (a) make an application for accreditation under regulation 30 in respect of the plant to which the tariff guarantee relates; or
- (b) make an application for registration under regulation 32 in respect of the production of biomethane to which the tariff guarantee relates.

(5) The Authority must not grant an application for accreditation or registration mentioned in paragraph (2) or (4) where it would result in a tariff start date that falls on or after 1st April 2022.

(6) In paragraph (1), “application” means—

- (a) an application for accreditation under regulation 30 (including an application for additional RHI capacity but not including an accreditation application under regulation 55A(1));
- (b) an application for registration under regulation 32;
- (c) an application for preliminary accreditation under regulation 33;
- (d) an application for preliminary registration under regulation 34;
- (e) an application for a tariff guarantee under regulation 35;
- (f) an application under regulation 77(1) to be registered in respect of additional biomethane.

Extension applications

3B.—(1) This regulation applies where—

- (a) a person (“the owner”) has invested significant capital or significant human or material resource in the development of a plant on or before 17th August 2020 (as evidenced by documents provided in accordance with Schedule 2A) with the intention of applying for the plant to be accredited; and
- (b) the plant is not expected to be commissioned before Scheme closure.

(2) The owner may apply for an extension of time in which to make an application for accreditation under regulation 30.

(3) An application for extension of time under paragraph (2) (“extension application”) must be made—

- (a) on or after 1st March 2021; and
- (b) before Scheme closure.

(4) An extension application must be—

- (a) in writing in such form as the Authority requires; and
- (b) supported by sufficient evidence specified in Schedule 2A to satisfy the Authority that significant capital or significant human or material resource was invested in project development on or before 17th August 2020.

(5) An applicant may not—

- (a) amend an extension application; or
- (b) make a further extension application in relation to the same plant, without first withdrawing the original application.

(6) The Authority may grant the applicant an extension of time if satisfied that—

- (a) the extension application is properly made; and
- (b) the applicant has provided the evidence mentioned in paragraph (4).

(7) The Authority may, in granting an extension application, attach such conditions as it considers to be appropriate.

(8) Where the Authority does not grant an extension application, it must notify the applicant in writing that the extension application has been rejected, giving reasons.

(9) For the purpose of paragraph (6)(a), an extension application is properly made if it contains the following information—

- (a) the plant’s proposed source of energy and technology;
- (b) the date on which the applicant expects the plant to be commissioned;

- (c) the total heat which the applicant expects the plant to generate each year for eligible purposes;
 - (d) the expected installation capacity of the plant;
 - (e) the proposed location of the plant;
 - (f) evidence as to the proposed heat use;
 - (g) the applicant's name and address;
 - (h) a declaration that the plant will be owned by the applicant, or jointly owned by the applicant and one or more other persons;
 - (i) such further information specified in Schedule 2 as the Authority may require.
- (10) This regulation does not apply in respect of a plant which, when commissioned, will—
- (a) generate heat from solid biomass or solid biomass contained in waste with an installation capacity of 1MWth or above;
 - (b) be a new solid biomass CHP system;
 - (c) generate heat using geothermal sources;
 - (d) generate heat from biogas with an installation capacity of 600kWth or above;
 - (e) be a ground source heat pump with an installation capacity of 100kWth or above;
 - (f) be a shared ground loop system with an installation capacity of 100kWth or above.
- (11) In this regulation, “plant” does not include a plant which is additional RHI capacity.

Budget allocation for extension applications

3C.—(1) The Secretary of State—

- (a) must determine and publish the budget allocation for extension applications (the “budget allocation”) for the 2022/2023 financial year;
 - (b) may review the budget allocation for that financial year;
 - (c) may, as a result of such a review, increase the budget allocation;
 - (d) may determine and publish that part of the budget allocation which will be allocated to a particular technology or group of technologies.
- (2) For the purpose of determining the budget allocation for the 2022/2023 financial year, the Secretary of State must publish—
- (a) an estimate of inflation for that financial year; and
 - (b) load factors applicable for each relevant technology.
- (3) The Authority must consider extension applications in the order in which it receives them, and must not grant an extension application where the estimated total extension application commitment for the 2022/2023 financial year would exceed the budget allocation for that year if the extension application were granted.
- (4) Following an increase in budget allocation pursuant to paragraph (1)(c), or any decrease in the estimated total extension application commitment resulting from the withdrawal or rejection of an extension application, the Authority must proceed to consider outstanding applications in the order in which they were received.
- (5) In this regulation—
- “estimated annual payment”, for an extension application, means—

C x LF x H x T x I

where—

- (i) C is the expected installation capacity of a plant to which regulation 3B applies;
- (ii) LF is the heat load factor for the plant’s technology, published by the Secretary of State under paragraph (2);
- (iii) H is the number of hours in the 2022/2023 financial year;
- (iv) T is the tariff which will apply if the plant becomes accredited under regulation 30; and
- (v) I is the estimate of inflation for the 2022/2023 financial year, published by the Secretary of State under paragraph (2);

“estimated total extension application commitment”, in relation to the 2022/2023 financial year, means the sum of the estimated annual payments for every extension application which has not been withdrawn by the applicant or rejected by the Authority;

“the 2022/2023 financial year” means the 12 month period commencing on 1st April 2022 and ending with 31st March 2023.”.