

### **Domestic** Renewable Heat Incentive (RHI)



Domestic

Frequently Asked Questions Domestic Renewable Heat Incentive (RHI) FAQs for Applicants

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### **Application questions**

#### 1. How do I apply for the Domestic RHI?

You can apply for the Domestic RHI using the <u>online application form</u> on our website. Before starting your application, it's important to read our <u>Essential Guide for Applicants</u>. This contains detailed information on whether you will be eligible for the scheme and which documents you will need when you apply. To help you prepare further, you can see what questions you will be asked during the application process by reading our <u>Helpsheet: Domestic RHI application form questions</u>.

If you're unable to apply online, you can call us on **0300 003 0744** and we'll talk you through the application, filling out the form for you.

If you have any questions about the scheme before you apply, you can contact the Energy Saving Advice Service on **0300 123 1234** if you live in England or Wales, or Home Energy Scotland on **0808 808 2282** if you live in Scotland.

# 2. Should I apply for the scheme before or after I install my renewable heating system?

You can only apply for the Domestic RHI **after** your renewable heating system has been installed. As part of your application, you'll need to provide us with your <u>Microgeneration Certification Scheme (MCS)</u> Certificate number, which your installer will give you when it's installed. Before you choose a renewable heating product, it's worth checking that it's listed as eligible on our <u>Product Eligibility List (PEL)</u>. Usually, only those products listed as eligible on the PEL will be accepted on the scheme. If your product is not listed on the PEL, please contact us by phone **0300 003 0744** or email at <u>DomesticRHI@ofgem.gov.uk</u>. If you're applying for the Domestic RHI with a heat pump, you'll also need to ensure you have the appropriate meters installed. To learn more about metering, please read our <u>Factsheet: Do I need metering?</u>.

If you have any questions before installing your renewable heating system, you can contact the Energy Saving Advice Service on **0300 123 1234** if you live in England or Wales, or Home Energy Scotland on **0808 808 2282** if you live in Scotland.

#### 3. What information will I need to provide when I apply?

To complete the online application form, you 'll need to provide, as a minimum:

- Your personal identification and bank details
- The <u>Microgeneration Certification Scheme (MCS)</u> Certificate number for your renewable heating system
- An Energy Performance Certificate (EPC) number for your property.

# 4. What's the difference between the Domestic and Non-Domestic RHI schemes?

The Domestic RHI is designed for heating systems supplying solely a **single** <u>domestic</u> property, which, amongst other requirements, must have a Domestic Energy Performance Certificate (EPC). To find out more about what a domestic property consists of, see our <u>key term domestic</u>.

For other situations, including where the heating system provides heat to multiple homes (eg a block of flats), you may instead be eligible for the Non-Domestic RHI. If you're uncertain which scheme to apply to, have a look at our <u>Factsheet: Domestic or Non-Domestic?</u>

#### 5. Are there any time limits to when I can apply?

To be eligible for the Domestic RHI, you **must** apply within 12 months of the <u>first commissioning date</u> shown on the MCS Certificate for your product. Also, if your system was first commissioned before 15 July 2009 (the date when the RHI was announced), you will not be eligible for the scheme.

#### 6. My application has been put 'into review'; what happens next?

There are a number of reasons your application might have been put into review. It will usually be because we need you to provide us with additional information so that we can process your application correctly. If your application is placed into review, a member of our team will contact you within five working days to inform you of this, and explain the reason(s) why. Please note that a random selection of all applications are put into review for quality assurance purposes also. For more detailed information, see our <u>Helpsheet: What to do if your application is in review</u>.

If you've not heard from us after 10 working days, you can contact us at <u>DomesticRHI@ofgem.gov.uk</u>, or call us on **0300 003 0744**.

### **Eligibility questions**

# **7.** Can I apply for the Domestic RHI if I live in Northern Ireland or the Channel Islands?

The Domestic RHI is available to people with an eligible renewable heating system in England, Wales or Scotland. Those in the Channel Islands aren't covered by the scheme.

If you have installed a renewable heating system in Northern Ireland, please note the Domestic RHI scheme was closed to new applications on 29 February 2016 by the <u>Department for the Economy</u>. Further details can be found at <u>www.detini.gov.uk/articles/renewable-heat-incentive-rhi</u>.

#### 8. Do I need an Energy Performance Certificate (EPC)?

**Yes**, you need to provide us with an EPC that is less than 24 months old at the date of application. Your EPC also needs to accurately reflect information about your home, so if you've undertaken construction work on your property since the last EPC was obtained you may need to get a new EPC to ensure it reflects your circumstances.

An EPC provides an opportunity for you to assess the wider energy efficiency of your property. You will need to install any loft and/or cavity wall insulation recommended on your EPC to be eligible for the scheme.

#### 9. Can I apply if my system is part of a new building?

The RHI scheme is designed to help people make the switch to renewable heating when replacing an existing fossil fuel product. Where a heating system is installed as part of the building of a new property it won't usually be eligible for this scheme.

The exception to this rule is for <u>custom-builds</u>. The following three requirements must be satisfied for a property to be classed as a custom build :

- the property was constructed principally using the labour or resources of the first owner (including any loans that the first owner was liable to repay);
- the first owner and all subsequent owners of the property are individuals, not companies or other organisations; and.
- the date the property was first occupied must have been after the heating system was <u>first</u> <u>commissioned</u>.

If you had a previous heating system which was first commissioned during the construction of your property, but this system was then replaced by an eligible technology after the property was first occupied, then this is not considered a custom-build. For more information, see the <u>Essential Guide for Applicants</u>.

If you've renovated or converted your property, see <u>custom-builds</u> in our <u>Reference Document</u> for more detailed information.

#### 10. Is second hand or refurbished equipment eligible?

The Domestic RHI is intended to support the installation of new equipment. Therefore, with the exception of certain components. No part of the renewable heating system which generates heat may have been used before the heating system's first commissioning date. However, equipment not required for generating heat (such as radiators, fixings, some piping, storage units etc) do not have to meet this requirement. For further information on which equipment is considered to be heat generating, and which isn't, and for full details of examples and exemptions, please see <u>relevant parts</u> in our key terms.

Using a second hand product increases the risk that it will break down or require replacement.In addition, the tariffs are set based on the cost of new equipment and second hand equipment is likely to be cheaper. Allowing it on the scheme would tend to result in over-compensation. It was therefore decided prior to the scheme going live that equipment that had previously been used to generate heat would not be eligible for the scheme.

#### **11.** Can I apply for more than one renewable heating system?

You can apply for one space heating system (including one that heats <u>domestic hot water</u>) and one solar thermal system supplying domestic hot water only. The rules are more complicated where you have more than one system installed at your property for space heating, or a heating installation that's made up of multiple products. For further information on this, please see <u>multiple products</u> in our key terms.

#### **12.** Can I apply if my heating system heats multiple buildings?

If your system heats more than one <u>domestic</u> property, then you won't be eligible for the Domestic RHI, but may be eligible for the Non-Domestic RHI. However, if your renewable heating system provides heat to more than one building, and each building is considered to be part of your domestic property (eg your house and an outbuilding), then you *may* still be eligible for the Domestic RHI scheme - but you should carefully consider whether your plans would be in line with the scheme rules. For more information on what is considered a domestic property, see our key term <u>domestic</u>.

For further information on whether your heating arrangement is eligible, see the <u>Essential Guide for</u> <u>Applicants</u>.

# **13.** Can I still apply to the Domestic RHI if I can't install the required loft and/or cavity wall insulation recommended in my Energy Performance Certificate (EPC)?

If loft and/or cavity wall insulation are recommended in your EPC, you must install them before you apply for the Domestic RHI. However, we understand that there are some circumstances in which this may not be possible; for example, if your property is a listed building. If this is the case, you may be exempt under the scheme rules and could still be eligible for the scheme. It's up to you to check this and satisfy yourself as to whether an exemption is applicable.

See here for a full list of <u>insulation exemptions</u> and the evidence we will ask for.

# 14. I've heard about the sustainability requirements for biomass. What do these mean for me?

The Department for Business, Energy & Industrial Strategy (BEIS), formerly known as the Department for Business, Innovation & Skills (BIS) and the Department of Energy and Climate Change (DECC), introduced sustainability criteria for biomass systems on the Domestic RHI on 5 October 2015. These requirements mean that you need to **use** an 'approved sustainable fuel' on or after this date, as listed on the <u>Biomass Suppliers' List (BSL</u>). This lists all registered suppliers that stock one or more of these sustainable fuels. You'll need to check with the supplier which of their fuels is an 'approved sustainable fuel'. The sustainable fuels that they supply will have a specific authorisation number. We'll check the authorisation number as part of your <u>annual declarations</u> and as part of our routine audits, so it's important that this information is recorded. You must keep your fuel receipts for your entire membership on the scheme. We can ask for these at any time.

For more information on the requirements, please see our <u>Factsheet: Biomass sustainability and the</u> <u>Domestic RHI</u>, and our <u>Frequently Asked Questions for biomass sustainability</u>.

#### 15. Are rental properties or holiday homes eligible?

Yes, so long as they meet all the joining requirements. The eligible property needs to be <u>domestic</u> for scheme purposes. You may still be eligible if you own and occupy the building that you are also subletting, for example, letting two bedrooms within your property wouldn't make you ineligible if you also occupied the building. If you rent out all of your property as a business and it's subject to business rates, you may want to consider the <u>Non-Domestic RHI Scheme</u> instead.

We assess each application on the eligibility requirements to join the Domestic RHI. This includes the requirement for the property to have a domestic Energy Performance Certificate (EPC).

Any property that's occupied for less than six months a year (183 days) in the 12 months prior to applying to the Domestic RHI will have to have a meter or meters installed, and payments will be made based upon meter readings. You'll need to seek guidance from the relevant official bodies (eg your local authority) and inform us if any of the information provided changes during the application process. You also need to tell us if anything changes once you are a member of the scheme.

If you have more questions about EPCs, please see our <u>Frequently Asked Questions about Energy</u> <u>Performance Certificates (EPCs)</u>.

#### **16.** Am I eligible for the scheme if I've already received a grant?

During the application, you will have to declare any funding you've received towards your installation which you don't need to pay back. This does not include bank or other loans, or a Green Deal finance plan, as you are responsible for these repayments yourself. We will ask you to provide evidence of the funding you've received, and decide whether or not it's from a public source. If it is, the amount will be deducted from your quarterly payments in equal amounts over the seven year life of the scheme.

#### 17. What happens if I move home?

Domestic RHI payments can only be made to the owner of the heating system. If you sell your home and, as part of that, you sell the heating system, as from the point of sale you will no longer be eligible to receive payments. If you sell your property, the new owner may be eligible to claim payments for the remainder of the seven years. You must notify us if you're due to sell your heating system 28 days in advance of the sale going through.

If you've just moved into a property with a renewable heating system already accredited on the scheme and you want to take over the Domestic RHI payments from the previous owner, you have 12 months from the date of sale of the property and renewable heating system to apply to the scheme. Your payments will not accrue until we're satisfied all of the eligibility criteria are met and we've sent you a statement of eligibility. You'll also need to provide us with some documents confirm that you're the new owner. It is in your interests to notify us of the sale and provide these documents and any other information we may require as soon as possible. No RHI payments accrue for the period between the date of the sale and when these steps have all been taken. Payments for that period will therefore not be made.

Please visit our webpage on <u>change of ownership</u> for more detailed information.

#### **18.** Will my heating system need to be metered for payment?

Generally, you will need to install metering for payment:

- If you have another heating system installed at the property (renewable or fossil fuel);
- If your property is occupied for less than 183 days in the 12 months prior to applying to the Domestic RHI; or,
- If you have a biomass boiler and it does not meet all of the heat demand for your property.

This list is not exhaustive. For more information on these scenarios and others, please see our <u>Factsheet: Do I need Metering for the Domestic RHI?</u> and our <u>Essential Guide to Metering</u>.

You may also wish to look into a <u>Metering and Monitoring Service Package</u>, which offers a small additional payment to participants interested in monitoring their heating system.

#### 19. What is an SPF, and why do I need to provide it?

If your renewable heating product is a heat pump (either ground source or air source), we'll need to know its <u>Seasonal Performance Factor (SPF)</u>. For more information on SPFs and how they will affect your payments, or if your SPF is not what you expected, look up the term in the <u>Domestic RHI</u> <u>Reference Document</u>.

All eligible heat pumps require electricity to run. The efficiency of both ground and air source heat pumps (how much electricity they require in order to deliver heating for the property) will need to be taken into account when we calculate your payments. To do this, heat pumps are allocated an SPF. This is calculated by your installer and should be visible on your MCS Certificate. To be eligible for the Domestic RHI, heat pumps must have a minimum SPF of 2.5.

### **Payment questions**

#### 20. How much can I expect to get paid?

If you are successfully accredited to the scheme and continue to meet your obligations, you'll get 28 quarterly payments over seven years. Your payments will be calculated based on:

- your technology type;
- the deemed heat demand of your property as stated on your EPC or MCS Certificate (an estimate
  of how much heat you use to heat your home), or if you applied on or after 20 September 2017
  the annual <u>heat demand limit</u>, whichever is lower. Heat demand limits apply for new heat pump
  and biomass applications. Solar thermal systems are not subject to heat demand limits;
- whether you have received any previous funding from a public source for your heating system; and,
- the applicable tariff rate when you apply.

Annual <u>heat demand limits</u> cap the financial support that participants can receive for their annual heat use. This is to ensure that subsidies represent good value for money in order to protect the public purse.

If you need to be <u>metered for payment</u> (see <u>question 19</u>), your payments will instead be based on the actual amount of heat you use. If you applied on or after 20 September 2017, annual <u>heat demand</u> <u>limits</u> will apply to you.

For an estimate of the RHI payments you might be eligible for, you can use the <u>BEIS Renewable Heat</u> <u>Incentive calculator</u>. There are also some worked examples of payments in our <u>Factsheet: Tariffs and</u> <u>payments</u>.

#### 21. Can I see how my payment has been calculated?

Once you've applied for the Domestic RHI you can use <u>MyRHI</u> to view and manage your account, and you can also view how your payments are calculated. See our <u>Helpsheet: Guide to MyRHI</u> for more information.

#### 22. How will I be paid?

Once you've been approved for the scheme, we'll transfer your payment directly into your bank account by BACS transfer every three months. We can only do this for bank accounts in the UK which accept pound sterling deposits.

If accepted onto the scheme, the date of your first payment will be three months from the date you submitted your complete application to us. Please note that the payment process takes up to five working days from your payment due date to arrive in your bank account.

### **Guide Material**

We update our guide material regularly. Check the website for the latest versions, to be sure you're reading the most up-to-date information. **See our website:** 

#### See our website

#### Domestic RHI

Non-Domestic RHI

#### **Domestic RHI Factsheets**

Factsheet: The Renewable Heat Incentive – Domestic or Non-Domestic? Factsheet: A Metering and Monitoring Service Package for the Domestic RHI Factsheet: Tariffs and Payments Factsheet: Do I Need Metering?

#### **Domestic RHI Essential Guides**

Essential Guide for Applicants Essential Guide for Installers Essential Guide to Metering Essential Guide to Metering and Monitoring Service Packages (MMSP)

#### **Domestic RHI Reference Document**

Domestic RHI Reference Document

#### Find out more

Next steps See the Department for Business, Energy & Industrial Strategy (BEIS) Domestic RHI Payment Calculator

Ask your installer to fill out and leave for you: Installer Checklist

### For Help

For queries regarding Domestic RHI cheme requirements and eligibility and for free impartial general information on how to save energy in the home:

#### **Energy Saving Advice Service**

(England or Wales) **0300 123 1234** Calls are charged at the standard national rate. **Email** <u>energy-advice@est.org.uk</u>

#### Home Energy Scotland

(Scotland) **0808 808 2282** Calls are free from landlines and most mobile networks <u>Online email form</u>

# For consumer protection information:

Renewable Energy Consumer Code (RECC) www.recc.org.uk

The Home Insulation and Energy Systems Contractors Scheme (HIES) www.hiesscheme.org.uk

#### The Glass and Glazing Federation (GGF) <u>www.ggf.org.uk</u>

# If you need help with a Domestic RHI application:

### Domestic RHI Applicant Support Centre

Telephone: **0300 003 0744** Email: DomesticRHI@ofgem.gov.uk

 Monday to Thursday:
 9:00 to 17:00

 Friday:
 9:00 to 16:30