



Department of

**Enterprise, Trade  
and Investment**

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9 July 2015

Mr Paul McGinn  
Departmental Solicitors Office  
Victoria Hall  
12 May Street  
Belfast  
BT1 4NL

Dear Paul

**RENEWABLE HEAT INCENTIVE SCHEME – AMENDMENT REGULATIONS 2015**

Please find attached draft amendment regulations for the non domestic Renewable Heat Incentive (RHI).

The main thrust of these amendment regulations is to introduce a new tariff for combined heat and power installations,(CHP), required to coincide with the change in the NIRO regime from October, and also to introduce a tiered tariff structure for biomass technology to manage budgets and affordability.

We have also included a definition of a heating system under the scheme to deal with the issue of multiple boilers being installed as individual applications. Ofgem currently interpret this as being permissible under the regulations where the boilers are not hydraulically linked. This was never the intent on DETI's part and we are seeking to close this loophole.

I would welcome your views/comments on the draft Regulations so that we can commence the formal legislative process.

Yours sincerely,

**STUART WIGHTMAN**  
Energy Efficiency Branch

cc John Mills  
Seamus Hughes  
Dan Sinton

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DRAFT STATUTORY RULES OF NORTHERN  
IRELAND

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**2015 No. 000**

**ENERGY**

**The Renewable Heat Incentive Scheme and Domestic  
Renewable Heat Incentive Scheme (Amendment) Regulations  
(Northern Ireland) 2015**

*Laid before the Assembly in draft*

<i>Made</i>	- - - -	2015
<i>Coming into operation</i>	-	2015

The Department of Enterprise, Trade and Investment makes the following Regulations in exercise of the powers conferred on it by section 113 of the Energy Act 2011(a).

**Citation and commencement**

1. These Regulations may be cited as the Renewable Heat Incentive Scheme and Domestic Heat Incentive Scheme (Amendment) Regulations (Northern Ireland) 2015 and come into operation on the day after the day on which they are made.

**Interpretation**

2. The Interpretation Act (Northern Ireland) 1954(b) shall apply to these Regulations as it applies to an Act of the Assembly.

**Amendment of the Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012**

3. The Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012(c) are amended in accordance with regulations 4 to 6.

**Amendment of regulation 2 (interpretation)**

4. In regulation 2 after the definition of “biogas production plant” insert –
- ““bioliquids” are liquid fuels made from biomass for energy purposes of heating and electricity;
- “biomass” means material, other than fossil fuel or peat, which is, or is derived directly or indirectly from, plant matter, funghi or algae;”

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(a) 2011 c. 16  
(b) 1954 c.33 (N.I.)  
(c) SR. 2012 No.396

“heating system” for the purposes of the non domestic Renewable Heat Incentive Scheme all plant in a given building providing heat forms part of the heating system regardless of whether or not hydraulically linked or stand alone;”.

**Amendment of regulation 3 (renewable heat incentive scheme)**

5. In Regulation 3(2) at the end of sub-paragraph(c), for the full-stop substitute “; or” and thereafter insert –

“(d) used otherwise than in a building on a commercial basis for either cleaning or drying.”.

**Amendment of regulation 8 (eligible installations generating heat using heat pumps)**

6. In regulation 8(a)(ii) before “;” insert “or ground liquid”.

**Changes in location of accredited RHI installations**

7. After regulation 24 insert –

**“Changes in location of accredited RHI installations**

**24A.**—(1) This regulation applies where an accredited RHI installation is moved to a new location during its tariff lifetime.

(2) No periodic support payment may be made in respect of the accredited RHI installation after the date on which it is moved to a new location until—

- (a) the owner has notified the Department of the change in location; and
- (b) the Department has concluded that the accredited RHI installation should continue to be accredited.

(3) On receipt of a notification under paragraph (2) the Department —

- (a) may require the owner to provide such of the information specified in Schedule 1 as the Department considers necessary for the proper administration of the scheme; and
- (b) must review the accreditation of the accredited RHI installation to determine whether it continues to meet the eligibility criteria in the new location (except the requirement in regulation 12(1)(b)) and accordingly whether it should continue to be accredited.

(4) Where the Department concludes that the accredited RHI installation should continue to be accredited it must update the central register referred to in regulation 22(6)(c) if appropriate.

(5) Where the Department concludes that the accredited RHI installation should continue to be accredited, periodic support payments calculated from the date of that decision and for the remainder of the tariff lifetime of that accredited RHI installation shall be payable.”.

**Amendment of regulation 36 (payment of periodic support payments to participants)**

8. In regulation 36 in –

(1) sub-paragraph 36(7)(a) after in “Schedule 3” insert “subject to paragraph 9”;

(2) sub-paragraph 36(7)(b) for “with any twentieth of a penny” substitute “and the nearest twentieth of a penny with the tariff adjusted to whichever is the greatest value”.

(3) after paragraph 36(8) insert –

“(9) Where an accredited RHI installation receives the medium biomass tariff as set out in Schedule 3—

- (a) the tariff for the initial heat generated by the installation in any 12 month period commencing with, or with the anniversary of, the date of accreditation is the tier 1 tariff specified in Schedule 3; and
- (b) the tariff for all further heat generated in that same 12 month period is the relevant tier 2 tariff.

(10) For the purposes of paragraph (9), “the initial heat” means the heat in kWh generated by an accredited RHI installation running at its installation capacity for

1,314 hours and “further heat generated” means the heat in kWh generated by an accredited RHI installation running at its installation capacity after the initial heat period of 1,314 hours.“

**Amendment of Schedule 1 Information required for accreditation and registration**

9. In Schedule 1 after “Regulations 22, 24,” insert “24A,”.

**Tarrifs**

10. For Schedule 3 (Tariffs) substitute Schedule 1 to these Regulations.

**Amendment of the Domestic Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2014**

11. The Domestic Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2014<sup>a</sup> are amended in accordance with regulation 8 and 9.

**Amendment of regulation 2 (Interpretation)**

12. In regulation 2 in the definition of “Seasonal Performance Factor” for “and will be fixed at 2.5;” substitute “minimum of 2.5;”.

**Amendment of regulation 13 (Plants where heat generation must be metered)**

13. In regulation 13-

- (1) paragraph 13(9) omit “or a public tenancy.”;
- (2) paragraph 13(10) omit the definition of “public tenancy”.

Sealed with the Official Seal of the Department of Enterprise, Trade and Investment on

*John Mills*  
A senior officer of the  
Department of Enterprise, Trade and Investment

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<sup>a</sup> SR 2014 No.301

SCHEDULE 1  
 “ SCHEDULE 3 - Tariffs Regulation 36

Table 1

<i>Tariff name</i>	<i>Sources of energy or Technology</i>	<i>Installation capacity</i>	<i>Tariff Pence/kWh</i>
Small Biomass	Solid biomass including solid biomass contained in municipal solid waste and CHP	Less than 20kWth	6.7
Medium Biomass	As above	20kWth and above up to but not including 200kWth	Tier 1: 6.4 Tier 2: 1.5
Large Biomass	As above	200kWth and above up to but not including 1000kWth	1.5
Combined Heat and Power	Biomass and bioliquid combined heat and power	New systems all sizes	3.5
		Conversion from fossil fuels all sizes	1.7
Small heat pumps	Ground source heat pump, water source heat pump	Less than 20kWth	9.0
Medium heat pumps	As above	20kWth and above up to but not including 100kWth	4.6
Large heat pumps	As above	100kWth and above	1.3
All Solar collectors	Solar collectors	Below 200kWth	9.1
Biomethane and biogas combustion	Biomethane and biogas combustion	All biomethane and biogas combustion below 200kWth	3.3

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**EXPLANATORY NOTE**

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

These Regulations, which apply to Northern Ireland, amend the Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012 (the "2012 Regulations") and the Domestic Renewable Heat Incentive Scheme (Northern Ireland) 2014 (the "2014 Regulations"). The 2012 Regulations established a renewable heat incentive scheme for non-domestic and the 2014 Regulations a renewable heat incentive scheme for domestic, under which owners of plants which generate heat from specified renewable sources and meet specified criteria may receive payments at prescribed tariffs for the heat used for eligible purposes. The 2012 Regulations and 2014 Regulations confer functions on the Department in connection with matters relating to the general administration of the schemes.

Regulation 4 amends a number of the definitions in the 2012 Regulations.

Regulation 5 amends regulation 3 in the principal Regulations to extend the scheme to cleaning and drying carried on otherwise than in a building.

Regulation 6 expands the sources of energy in regulation 8.

Regulation 7 inserts a new regulation 24A allowing accredited RHI installations to be moved to a new location.

Regulation 8 amends regulation 36 of the 2012 Regulations to introduce a tiered tariff for the medium commercial biomass tariff.

Regulation 9 updates reference in Schedule 1 in the 2012 Regulations to reflect insertion of new 24A.

Regulation 10 substitutes Schedule 3 in the 2012 Regulations with Schedule 1 of these Regulations introducing a tiered tariff structure for medium biomass and a new CHP tariff.

Regulation 12 amends the definition of "Seasonal Performance Factor" in the 2014 Regulations.

Regulation 13 amends regulation 13 to remove the reference to "public tenancy" and its definition.