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Departmental Solicitor's Office

Department of
Finance and
Personnel

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Seamus Hughes
Department of Enterprise
Trade and Investment
Netherleigh
Massey Avenue
BELFAST
BT4 2JP

16th October 2015

Our Ref: SOL 50647/2015

Dear Seamus

RENEWABLE HEAT INCENTIVE (AMENDMENT) REGULATIONS 2015

I refer to your minute of 12th October in relation to this matter.

Thank you for sending me a revised draft of the Regulations. I now return a copy of same with a number of drafting changes. The only comments I would offer are as follows.

1. I still prefer a shorter, more succinct title. Something along the lines of "Renewable Heat Incentive Schemes (Amendment) Regulations (NI) 2015".
2. I understand the uncertainty about the date that these Regulations will come into operation but I think the wording suggested for new Regulation 36(7) and (7A) of the Renewable Heat Incentive Scheme Regulations (NI) 2012 ("the 2012 Regulations") would be confusing. I think that it would be better simply to insert the appropriate date when it is known.
3. I have redrafted the amendment to the definition of "seasonal performance factor" in Regulation 2 of the 2012 Regulations. I think that it is necessary to state who determines the ratio.
4. Finally, I have made some changes to the Explanatory Note.

This then brings me to the major issue raised by your minute, namely provision for the suspension of the RHIP Scheme. As I have previously indicated, I think that the powers contained in Section 113 of the Energy Act 2011 are very wide and would



INVESTOR IN PEOPLE

allow for the exercise of the sort of administrative discretion that you would like. However, the decisions in question must be taken by the Department rather than DFP. My understanding of the Department's intentions is that, once an installation is accredited, then periodic payments should continue to be made. Suspension in this context would mean no new installations may be accredited after 30th September 2016 unless funding was available and would not, therefore, be eligible for periodic payments. Is this correct? This is a different situation to one involving the suspension of payments for already accredited installations where those payments fall due after 30th September 2016. For the reasons given in my earlier advice that would be much more problematic.

On the assumption that that is correct, it should be possible to amend the 2012 Regulations by inserting after Regulation 23 a provision along the following lines

- "23A – (1) This Regulation applies where it appears to the Department that it does not have or is not likely to have sufficient funds available to it for the purpose of meeting the full cost of periodic support payments for all RHI installations accredited in pursuance of Regulation 22 and all installations that would be likely to be accredited in pursuance of that regulation.
- (2) Where this Regulation applies, the Department may by notice published in such manner as the Department may think appropriate suspend the operation of the Scheme in relation to any installation not accredited before a date specified in the Notice, whether or not an application for accreditation has been made before that date for that installation under Regulation 22(1).
- (3) Where the Department publishes a Notice under paragraph (2), the Department must not, on or after that date, accredit any more eligible installations.
- (4) The Department may by notice published in the same manner as a Notice published under paragraph (2) revoke any such notice and where it does so, the prohibition in paragraph (3) shall not continue to have effect".

Regulation 22(6) would have to be made subject to this new provision. I do not think that it would be appropriate to amend Regulation 12 because that regulation defines eligibility requirements and this is not a matter of eligibility.

The final question you ask concerns whether or not the Department could apply the new 400,000 kwh annual limit on heat payments to installations accredited before 4th November 2015. Here, I can only refer you to the advice that I gave on 25th June in relation to legitimate expectation. As I pointed out there, there are two forms of legitimate expectation. One is substantive legitimate expectation and the other procedural. Procedural legitimate expectation means that, in certain circumstances, anyone affected by a change in policy has the right to be heard before that change takes place. I think that almost inevitably anyone whose installation has been accredited and who is presently, under the Regulations, receiving periodic support

payments in relation to heat generated over the 400,000 kwh annual limit, would have a procedural legitimate expectation in relation to the continuation of those payments and would have to be consulted. The more difficult question is whether it is open to the Department to remove the entitlement to periodic payments over the threshold at all. This is what is referred to as a substantive legitimate expectation on the part of those affected. As I pointed out in my earlier advice, a good deal would depend on just how serious the financial impact of any decision would be on the viability of any accredited installation. If without the periodic payments in relation to amounts generated over the threshold, the operator of the installation would not have a sufficient return that would justify the investment, then I think there could be some difficulty. If, on the other hand, even without the additional payments the return to the operator was such that it would justify the investment anyway, then I think it would be unlikely that the Courts would intervene to prevent the change in policy.

I would be grateful if I could see a further draft of the Regulations before they are made.

Yours sincerely

Paul McGinn

PAUL McGINN
Director Division 2

DRAFT STATUTORY RULES OF NORTHERN IRELAND

2015 No. 000

ENERGY

The Domestic and Non Domestic Renewable Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015

Laid before the Assembly in draft

Made - - - - 2015

Coming into operation in accordance with regulation 1

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 Domestic and Non Domestic Renewable Heat Incentive Schemes (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 14.

Amendment of regulation 3 (renewable heat incentive scheme)

4. In regulation 3 in paragraph (2) ~~omit~~ ^{for the words from} "used in a building for any of the following purposes" ~~and thereafter insert~~ ^{to the end} _{substitute}

"(a) used in a building for any of the following purposes—

- (i) heating a space,
(ii) heating water,
(iii) carrying out a process; or

(b) used otherwise than in a building for either of the following purposes carried out on a commercial basis—

- (i) cleaning,
(ii) drying."

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

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

5. In regulation 8 in (a)(ii) after "liquid" insert "or ground liquid".

Amendment of regulation 9 (eligible installations which are CHP systems)

6. In regulation 9 –

- (1) (1) in paragraph (1)(a) after "biomass" insert "or bioliquid";
 (2) (2) omit paragraph (2)(a);
 (3) (3) in paragraph (2)(b) after "NIRO" insert "prior to 1 October 2015";
 (4) (4) omit paragraph (2)(c).
For ; and
substitute

Amendment of regulation 12 (other eligibility requirements for technologies)

7. In regulation 12 after paragraph (1)(d) insert *for the full stop at the end substitute ";" and hereafter read*
 "(e) the plant providing heat for a given building forms part of a single heating system regardless of whether a particular plant is hydraulically linked to others or is stand alone."

Amendment of regulation 14 (plants comprised of more than one plant)

8. In regulation 14(2)(b) after "system" add " being used for the same purpose, heating a building or carrying out a process, or both".

Amendment of regulation 16 (metering of plants in simple systems)

9. In regulation 16 omit paragraph (c). (c) *for the ; and" at the end of sub-paragraph (b) substitute a full stop and omit sub-paragraph (c).*

Changes in location of accredited RHI installations

10. 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 RHI installation after the date on which it is moved to the 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 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 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)

11. (1) Regulation 36 is amended as follows.
 (2) In paragraph (7) after "The tariffs" insert "for installations accredited before 4th November 2015 ~~for before the operation date of the Domestic and Non Domestic Renewable~~

~~Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015 in accordance with regulation 17.~~

(3) After paragraph (7) insert -

“(7A) The tariffs for installations accredited on or after 4th November 2015—

(a) for the period beginning with 4 November 2015 ~~or before the operation date of the Domestic and Non-Domestic Renewable Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015 in accordance with regulation~~

and ending with 31st March 2016, are the tariffs set out in Schedule 4; and
(b) for each subsequent year commencing with 1st April and ending with next following 31st March, are the tariffs applicable on the immediately preceding 31st March adjusted by the percentage increase or decrease in the retail prices index for the previous calendar year (the resulting figure being rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards).”

(4) After paragraph (8) insert -

“(9) Where an accredited RHI installation falls within the small or medium biomass tariffs as set out in Schedule 4—

(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 relevant tier 1 tariff specified in Schedule 4;

(b) the tariff for further heat generated in that same 12 month period up to a maximum of 400,000 kWh is the relevant tier 2 tariff; and

(c) any further heat generated over 400,000 kWh in the same 12 month period shall not be eligible for RHI payments.

(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.”

Amendment of regulation 37 (periodic support payments for accredited RHI installations in simple systems

12. In regulation 37 ~~omit paragraph (c).~~

for the “; and “at the end of sub-paragraph (c) substitute a full stop and

Amendment of Schedule 1 (information required for accreditation and registration)

13. In Schedule 1 replace paragraph 1 (1) with the following,

“(1) This Schedule specifies the information that may be required of

(a) a prospective participant in the scheme; or

(b) the owner of an accredited RHI installation who moves it to a new location during its tariff lifetime.”

Tariffs

14. After Schedule 3 (Tariffs) insert the Schedule set out in the Schedule to these Regulations.

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

15. The Domestic Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2014^a are amended in accordance with regulation 16 and 17.

^a SR 2014 No.301

Amendment of regulation 2 (Interpretation)

16. In regulation 2 in the definition of "Seasonal Performance Factor" for "and will be fixed at 2.5;" substitute "and will be fixed at a minimum of 2.5, determined from the certification certificate for the installation".

but shall be no greater than 2.5 by the Department

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

17. In regulation 13-

- (a) paragraph (9) omit "or a public tenancy";
- (b) paragraph (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

SCHEDULE

“ SCHEDULE 4 - 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.	Less than 20kWth	Tier 1: 6.7 Tier 2: 1.5
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 or 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

“

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

~~Regulation 5 expands the sources of energy in regulation 8.~~

~~Regulation 6 expands energy sources in regulation 9.~~

~~Regulation 7 expands eligibility requirements in regulation 12.~~

Regulation 8 expands definition in regulation 14 ^{for which is} to be regarded as a single plant.

Regulation 9 amends regulation 16 to extend metering of plants in simple systems to CHP systems.

Regulation 10 inserts a new regulation 24A allowing accredited RHI installations to be moved to a new location.

Regulation 11 amends regulation 36 of the 2012 Regulations to introduce a tiered tariff for small and medium commercial biomass tariff, and also introduces an annual cap of 400,000kWh hours for eligible heat payments.

Regulation 12 amends regulation 37 of the 2012 Regulations to expand periodic support payments for accredited RHI installations in simple systems to CHP.

Regulation 13 updates reference in Schedule 1 in the 2012 Regulations to reflect insertion of new 24A.

Regulation 14 inserts Schedule 4 in the 2012 Regulations introducing a tiered tariff structure for medium biomass and a new CHP tariff from 5 October 2015.

Regulation 16 amends the definition of "Seasonal Performance Factor" in the 2014 Regulations.

Regulation 17 amends regulation 13 to remove the reference to "public tenancy" and its definition.

Under regulation 4 of the 2012 Regulations a plant meets the eligibility criteria for inclusion in the scheme under these regulations if (among other things)

- (a) it ~~is~~ is a heat pump which complies with the requirements of regulation 8;
- (b) it is a CHP system which complies with the requirements of regulation 9; or
- (c) the plant complies with the requirements of regulation 12.

Regulations 5 to 7 amend these requirements.

From: [Clarke, Helen \(DFP\)](#) on behalf of [McGinn, Paul](#)
To: [Hughes, Seamus](#)
Subject: RENEWABLE HEAT INCENTIVE (AMENDMENT) REGULATIONS 2015
Date: 16 October 2015 11:31:50
Attachments: [Seamus Hughes\(3\).docx](#)

Seamus,

Please see attached from Mr Paul McGinn, DSO.

Many thanks,

Helen

Helen Clarke

PS/Claire Archbold/Paul McGinn

Departmental Solicitor's Office

Victoria Hall

12 May Street

BELFAST, BT1 4NL

Tel: (02890) (2)51242

Email: Helen.Clarke@dfpni.gov.uk

Departmental Solicitor's Office



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Tel: 028 9025 1246
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Seamus Hughes
Department of Enterprise
Trade and Investment
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Massey Avenue
BELFAST
BT4 2JP

16th October 2015

Our Ref: SOL 50647/2015

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allow for the exercise of the sort of administrative discretion that you would like. However, the decisions in question must be taken by the Department rather than DFP. My understanding of the Department's intentions is that, once an installation is accredited, then periodic payments should continue to be made. Suspension in this context would mean no new installations may be accredited after 30th September 2016 unless funding was available and would not, therefore, be eligible for periodic payments. Is this correct? This is a different situation to one involving the suspension of payments for already accredited installations where those payments fall due after 30th September 2016. For the reasons given in my earlier advice that would be much more problematic.

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- “23A – (1) This Regulation applies where it appears to the Department that it does not have or is not likely to have sufficient funds available to it for the purpose of meeting the full cost of periodic support payments for all RHI installations accredited in pursuance of Regulation 22 and all installations that would be likely to be accredited in pursuance of that regulation.
- (2) Where this Regulation applies, the Department may by notice published in such manner as the Department may think appropriate suspend the operation of the Scheme in relation to any installation not accredited before a date specified in the Notice, whether or not an application for accreditation has been made before that date for that installation under Regulation 22(1).
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I would be grateful if I could see a further draft of the Regulations before they are made.

Yours sincerely

Paul McGinn

PAUL MCGINN
Director Division 2

From: [Clarke, Helen \(DFP\)](#)
To: [Hughes, Seamus](#)
Subject: ATTACHMENT FOR LETTER - RENEWABLE HEAT INCENTIVE (AMENDMENT) REGS 2015
Date: 16 October 2015 15:22:30
Attachments: [2821_001.pdf](#)

Seamus,

Sorry for the delay – attachment as requested.

Thanks

Helen

DRAFT STATUTORY RULES OF NORTHERN
IRELAND

2015 No. 000

ENERGY

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

Laid before the Assembly in draft

Made - - - - - 2015

Coming into operation in accordance with regulation 1

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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 14.

Amendment of regulation 3 (renewable heat incentive scheme)

4. In regulation 3 in paragraph (2) ~~and~~ ^{for the words from} "used in a building for any of the following purposes" ^{to the end} ~~and thereafter insert—~~ _{substitute}

“(a) used in a building for any of the following purposes—

- (i) heating a space,
- (ii) heating water,
- (iii) carrying out a process; or

(b) used otherwise than in a building for either of the following purposes carried out on a commercial basis—

- (i) cleaning,
- (ii) drying.”.

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

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

5. In regulation 8 in (a)(ii) after "liquid" insert "or ground liquid".

Amendment of regulation 9 (eligible installations which are CHP systems)

6. In regulation 9 –

- (c) (1) in paragraph (1)(a) after "biomass" insert "or bioliquid";
- (e) (2) omit paragraph (2)(a); *For ; and*
- (c) (3) in paragraph (2)(b) after "NIRO" insert "prior to 1 October 2015";
- (d) (4) omit paragraph (2)(c). *substitute*

Amendment of regulation 12 (other eligibility requirements for technologies)

7. In regulation 12 after paragraph (1)(d) insert *for the full stop at the end substitute ";" and hereafter next*
 "(e) the plant providing heat for a given building forms part of a single heating system regardless of whether a particular plant is hydraulically linked to others or is stand alone."

Amendment of regulation 14 (plants comprised of more than one plant)

8. In regulation 14(2)(b) after "system" add " being used for the same purpose, heating a building or carrying out a process, or both".

Amendment of regulation 16 (metering of plants in simple systems)

9. In regulation 16 *omit paragraph (c). (c) for the ";" and " at the end of sub-paragraph (b) substitute a full stop and omit sub-paragraph (c).*

Changes in location of accredited RHI installations

10. 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 RHI installation after the date on which it is moved to the 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 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 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)

11. (1) Regulation 36 is amended as follows.
- (2) In paragraph (7) after "The tariffs" insert "for installations accredited before 4th November 2015 ~~for before the operation date of the Domestic and Non Domestic Renewable~~

~~Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015 in accordance with regulation 13.~~

(3) After paragraph (7) insert -

“(7A) The tariffs for installations accredited on or after 4th November 2015—

(a) for the period beginning with 4 November 2015 ~~or before the operation date of the Domestic and Non-Domestic Renewable Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015 in accordance with regulation~~

and ending with 31st March 2016, are the tariffs set out in Schedule 4; and
 (b) for each subsequent year commencing with 1st April and ending with next following 31st March, are the tariffs applicable on the immediately preceding 31st March adjusted by the percentage increase or decrease in the retail prices index for the previous calendar year (the resulting figure being rounded to the nearest tenth of a penny, with any twentieth of a penny being rounded upwards).”

(4) After paragraph (8) insert -

“(9) Where an accredited RHI installation falls within the small or medium biomass tariffs as set out in Schedule 4—

(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 relevant tier 1 tariff specified in Schedule 4;

(b) the tariff for further heat generated in that same 12 month period up to a maximum of 400,000 kWh is the relevant tier 2 tariff; and

(c) any further heat generated over 400,000 kWh in the same 12 month period shall not be eligible for RHI payments.

(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.”

Amendment of regulation 37 (periodic support payments for accredited RHI installations in simple systems

12. In regulation 37 ~~omit paragraph (c).~~

for the”; and “at the end of sub-paragraph (c) substitute a full stop and

Amendment of Schedule 1 (information required for accreditation and registration)

13. In Schedule 1 replace paragraph 1 (1) with the following,

“(1) This Schedule specifies the information that may be required of

(a) a prospective participant in the scheme; or

(b) the owner of an accredited RHI installation who moves it to a new location during its tariff lifetime.”

Tariffs

14. After Schedule 3 (Tariffs) insert the Schedule set out in the Schedule to these Regulations.

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

15. The Domestic Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2014a are amended in accordance with regulation 16 and 17.

Amendment of regulation 2 (Interpretation)

16. In regulation 2 in the definition of "Seasonal Performance Factor" for "and will be fixed at 2.5;" substitute "and will be fixed at a minimum of 2.5, determined from the certification certificate for the installation)".

but should be no greater than 2.5 by the Department

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17. In regulation 13-

- (a) paragraph (9) omit "or a public tenancy.";
- (b) paragraph (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

SCHEDULE

“ SCHEDULE 4 - 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.	Less than 20kWth	Tier 1: 6.7 Tier 2: 1.5
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 or 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

“

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

~~Regulation 5 expands the sources of energy in regulation 8.~~

~~Regulation 6 expands energy sources in regulation 9.~~

~~Regulation 7 expands eligibility requirements in regulation 12.~~

Regulation 8 expands definition in regulation 14 ^{for which is} to be regarded as a single plant.

Regulation 9 amends regulation 16 to extend metering of plants in simple systems to CHP systems.

Regulation 10 inserts a new regulation 24A allowing accredited RHI installations to be moved to a new location.

Regulation 11 amends regulation 36 of the 2012 Regulations to introduce a tiered tariff for small and medium commercial biomass tariff, and also introduces an annual cap of 400,000kWh hours for eligible heat payments.

Regulation 12 amends regulation 37 of the 2012 Regulations to expand periodic support payments for accredited RHI installations in simple systems to CHP.

Regulation 13 updates reference in Schedule 1 in the 2012 Regulations to reflect insertion of new 24A.

Regulation 14 inserts Schedule 4 in the 2012 Regulations introducing a tiered tariff structure for medium biomass and a new CHP tariff from 5 October 2015.

Regulation 16 amends the definition of "Seasonal Performance Factor" in the 2014 Regulations.

Regulation 17 amends regulation 13 to remove the reference to "public tenancy" and its definition.

Under regulation 4 of the 2012 Regulations a plant meets the eligibility criteria for inclusion in the Scheme under those regulations if (among other things)

- (a) it ~~is~~ is a heat pump which complies with the requirements of regulation 8;
- (b) it is a CHP system which complies with the requirements of regulation 9; or
- (c) the plant complies with the requirements of regulation 12.

Regulations 5 to 7 amend these requirements.