

DRAFT STATUTORY RULES OF NORTHERN IRELAND

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*

Made - - - - 2015  
 Coming into operation - 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 10.

**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, fungi or algae;”

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

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**Comment [JDR1]:** What is the relationship between this and the definition of “biofuel” in s 113 of the Act, which is defined as “liquid or gaseous fuel which is produced wholly from biomass”. bioliquid just an example of the liquid fuel referred to here (i.e. a subset of biofuel)? S 113(5) allows regs to modify the definition of “biofuel” – would that be an option instead?

**Comment [JDR2]:** Where is this definition from? If not from other legislation, is it necessary to include the purpose it was made for? Adds complexity to the administration. And is it the policy intent to exclude bioliquids that were not made expressly for the purpose of heating/electricity?

**Comment [JDR3]:** And it seems that it must be for the purpose of heating and electricity – so bioliquid can only be used in CHP plants?

**Comment [JDR4]:** The modification here for the s 113 definition means that material derived from animal mass is excluded – is that right? Does that have an effect on AD?

“heating system” for the purposes of the 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.”

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**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.”

**Comment [KR5]:** This doesn't work. I have discussed with the technical team. Changing definition of heating system would then mean that ineligible plants could have to be treated differently – they would need to be metered e which wouldn't make sense. An alternative fix suggested is to change reg 14(2)(b) to something like 'provide heat to the same building/heat use'. The same change would be needed to 42(2)(c). However, we haven't had much time to assess whether there could be unintended consequences to this. We will continue to think this through and flag if we have any concerns.

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

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

**Comment [JDR6]:** This also doesn't work in drafting terms – it shouldn't be worded as a definition, but rather a free-standing provision e.g. “For the purposes of these Regulations, a plant [etc]...”.

**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.”

**Comment [JDR7]:** You should also remove the “or” at the end of sub-paragraph (b). As it all gets rather fussy, you might just consider substituting sub-para (b) and (c) entirely with the new text, i.e. current (b), with the “or” removed and then current (c), with the new punctuation and (d).

**Comment [JDR8]:** Wouldn't it be clearer just say “after “liquid” instead?”

**Comment [KR9]:** “Liquid in the ground” for clarity.

**Comment [JDR10]:** Looks like the formatting has gone a bit astray for this inserted text.

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

8. In regulation 36—

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

(2) in paragraph (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 (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

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**Comment [JDR11]:** In this paragraph structure, I think these should be (a), (b), (c).

**Comment [JDR12]:** This should probably begin (7)(b).

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**Comment [S13]:** I'm not sure what this is trying to achieve. The amended version of 36(7)(b) would read: “and the nearest twentieth of a penny with the tariff adjusted to whichever the greatest value being rounded upwards.” Syntax?

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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.

**Comment [JDR14]:** Wrong direction...

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

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

**Tariffs**

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10. For Schedule 3 (tariffs) substitute the Schedule contained in the Schedule to these Regulations.

**Comment [JDR15]:** There is only one schedule, so it shouldn't be numbered

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

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

**Comment [KR16]:** Needs amending to ensure the changes don't apply to existing participant. Flagged to Seamus.

**Comment [JDR17]:** Not commented on the as we aren't involved.

**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”.

Scaled 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

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

SCHEDULE  
 “ 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 injection and biogas combustion	All biomethane injection and biogas combustion below 200kWth	3.3

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**Comment [KR18]:** Do you still want this included under biomass? What are the rules around which tariff applies?

**Comment [KR22]:** Commissioned on or after Sep 2010? Or different cut-off

**Comment [KR20]:** This needs to be an eligibility in Reg 9.

**Comment [KR21]:** What are the rules around this? Can it be only biomass or only bioliquid? can they be mixed?

**Comment [KR19]:** More detail needed. Are these tariffs only for systems accredited on the RO? Amendments needed to reg 9. Changes to 2( regarding RO interaction?

**Comment [KR23]:** With what cut-off date?

**Comment [KR24]:** Solely fossil fuel?

**Comment [KR25]:** Unflagged tariff change who is this applicable to?

**Comment [KR26]:** Unflagged tariff change who is this applicable to?

**Comment [KR27]:** Unflagged tariff change who is this applicable to?

**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, on a commercial basis, 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 a new Schedule 3, contained in the Schedule to 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.

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**Comment [JDR28]:** Technical Standards Directive notification reference?