

**KEEPING THE LIGHTS ON**

LAST year we revealed a scam that exploits sloppy Renewable Heat Incentive (RHI) legislation (*Eye* 1309). By having an oversized renewable-fuel boiler installed, customers can claim far more cash subsidy than was intended. Fifteen months later nothing has been done to close the loophole and exploitation of it is getting worse.

Cowboy boiler firms get to sell more costly units, and the buyer gets the RHI overpayment – an oversized medium-capacity boiler could easily net £300,000 in “unintended” subsidies over the life of the scheme.

In response the Renewable Energy Association (“the voice of the renewable industry”) wrote to the *Eye*, saying “exploiting this perverse incentive is likely to cost any customer dear. Oversized boilers don’t operate efficiently and can cause serious operational problems, the costs of which are likely to outweigh the extra subsidy earnings” (*Letters, Eye* 1311).

This self-serving response is simply not true of good-quality new boilers, which are as comfortable running under-utilised as is a BMW cruising only at

20mph in third gear (that’s not what it was made for, but causes it no problem). The decrease in efficiency is rarely as much as 10 percent, which wouldn’t remotely outweigh a huge RHI overpayment.

When regulator Ofgem consulted it on the matter in September, the REA disingenuously replied: “It is vital that any attempts to address this issue do not create additional burdens and uncertainty for installation owners as it is extremely difficult to define what would constitute oversizing with the intent to game the system.” In other words, it’s all too difficult. How convenient for the cowboys.

In consequence, nothing has been done to address the problem – and the cowboys are having a field day. The *Eye* has been given results of a private “secret shopper” initiative, which has revealed oversizings of as much as 300 percent.

Despite what the “voice of the industry” says, it would be easy to assess gross oversizing. Nor is primary legislation required: Ofgem and/or the Department of Energy and Climate Change simply need to announce that anyone found oversizing will lose their entire RHI payment. Official complacency serves only to line the pockets of cowboy boiler firms and their greedy customers.

*‘Old Sparky’*

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*“The check-in desk is over there, this is the chicken desk”*