

Renewable Heat Incentive (RHI) – frequently asked questions (FAQ)

Please note: this document was updated on 9 March 2021 and we believe it to be correct at the time of writing. It does not aim to be fully comprehensive and readers should ensure that they refer to Ofgem’s official guidance and the RHI before applying to the domestic or non-domestic RHI schemes.

1. What is the process for securing the Renewable Heat Incentive (RHI)?

Before applying for either the domestic or non-domestic RHI, it’s important to undertake sufficient research to determine whether the project you are contemplating will be eligible, and whether it can be implemented in sufficient time before the relevant scheme closes to new applications (see FAQ 3).

To help minimise the likelihood of delays with your application, applicants are advised to:

- Read the relevant Ofgem guidance in full before applying. This is absolutely crucial to ensure that the applicant is fully aware of their installation's eligibility, the documents they will need to submit as part of their application, and what will be required of them on an ongoing basis to remain compliant with the scheme.
- Prepare/complete the application in full before applying (applicable to non-tariff guarantee applications only). Failure to accurately complete the application and provide all of the necessary documentation (such that the application is 'properly made') will lead to delays in accreditation.
- Check that the address of the installation matches that which the Post Office holds on record before applying. It has been known for delays to be caused by a mismatch of addresses between what the applicant and Ofgem believe to be correct.
- Be specific with names and ensure continuity throughout the application. Where the application refers to specific people such as the applicant or the installer, it is important to spell those names correctly and be consistent whenever they are referenced. It is important to be unambiguous to avoid the risk of misinterpretation, and to ensure that photographs or scans of documentation/evidence are clear, and text is legible.
- Where an installer or other third-party is completing an application on the plant owner's behalf, the application and its contents remain the responsibility of the plant owner. They should therefore have a good understanding of their installation and the ongoing obligations that must be met to remain compliant. The plant owner should

arrange for a handover of either the originals or copies of all installation and application associated documentation from the third-party.

The Ofgem website has more information on the [domestic RHI](#) and [non-domestic RHI](#). From here, you will find links to more information and guidance documents. Make sure that you understand what documents you will need to submit with your application.

Once you are ready to apply:

- **If applying for the Domestic RHI** – you can [apply on-line](#). As part of the application process, an account on the MyRHI portal will be set up for you. The contents of the application form are explained in [Ofgem's Helpsheet: Domestic RHI application form questions](#).
- **If applying for the non-domestic RHI** - you will need to [create an account on the Ofgem non-domestic RHI Register](#). This will give you access to the on-line application form. The contents of the application form are explained in [Ofgem's Guide to the RHI application form](#).

Items of evidence

The main items of evidence you will need to provide with the application form include:

(for domestic and non-domestic schemes)

- Receipts and/or invoices relating to the purchase and installation of the equipment as evidence that the installation is new.
- Commissioning certificate and/or commissioning report for the installation (MCS Installation Certificate for plant <45 kW)
- Photograph of the installation nameplate(s) showing make, capacity and serial number
- Photographs of relevant meters (calculators and flow sensors) showing opening readings, design details, serial numbers, MID/Class 2 marking
- Schematic diagram of the installation
- For heat pumps, the manufacturer's technical specification to support Coefficient of Performance being at least 2.9 and a declaration from the installer that the design Seasonal Performance Factor is at least 2.5.

(for domestic scheme only)

- Latest domestic Energy Performance Certificate (EPC) – no more than 24 months old
- Joint ownership letter of authorisation (if applicable)

(for non-domestic scheme only)

- Letter of authorisation confirming the applicant organisation's Authorised Signatory (non-domestic only)
- Evidence that the plant is not generating heat solely for one domestic premise
- A user guide or manual that includes the plant's technical specifications.

Following its submission, Ofgem will review your application and may come back to you requesting further information, documentation or clarification. Once Ofgem are satisfied with your application, your installation will become accredited and RHI payments will be made to you, provided that you meet various ongoing obligations. To help ensure that payments are not interrupted you must continue to meet these obligations for the duration of the accreditation.

2. For how long are the RHI payments made and at what interval over the year?

Both the domestic and non-domestic RHI schemes make quarterly payments, for seven and 20 years respectively, from the date of accreditation.

3. What are the deadlines for application/accreditation from RHI?

The domestic RHI closes to new applicants at midnight on 31 March 2022.

The non-domestic RHI closes to new applicants at midnight on 31 March 2021. However, see FAQs 5 and 6 regarding Tariff Guarantee deadlines and Non-Tariff Guarantee extension applications for eligible projects.

4. Can projects be pre-accredited, pre-registered, or equivalent?

There is no facility to pre-register for accreditation to the RHI. However, under the non-domestic RHI there is a facility for preliminary accreditation (for biomethane applications it is referred to as preliminary registration).

Preliminary accreditation gives assurance that once the proposed installation is built and the owner applies for 'full' accreditation to the scheme, Ofgem will grant full accreditation providing that the installation is built in line with the details submitted and other conditions are met. However, this does not make the applicant a participant in the scheme, nor will any payments be made on the basis of preliminary accreditation. A successful full application needs to be subsequently made in order to receive payments.

Preliminary accreditation is only available for the following technologies:

Technology Type	Capacity
Solid Biomass, including that contained in municipal solid waste	≥ 200kWth
Solid biomass CHP, where eligible for the solid biomass CHP tariff	All
ASHP	≥ 45kWth
GSHP	≥ 100kWth
WSHP	≥ 100kWth
Shared ground loop heat pump systems	≥ 100kWth

Technology Type	Capacity
Geothermal	All
Biogas	All
Biomethane	All

5. What is a tariff guarantee and how do you get it? What is the process and timeline?

Tariff guarantees allow applicants to the non-domestic RHI with larger capacity plants to secure a tariff rate before their installation is commissioned and fully accredited/registered under the RHI.

Once sufficient supporting information has been provided to Ofgem, the tariff guarantee will be confirmed with pending conditions. The final step is the commissioning of the installation and adding any final details to the application form.

Tariff guarantees give applicants increased certainty of the level of RHI income that will be received once full accreditation is achieved. This mitigates the risk of tariff degeneration during a project's development phase.

The following technologies are eligible for Tariff Guarantees:

Technology Type	Capacity
Biomass	≥ 1MWth
Biomass CHP	All
GSHP	≥ 100kWth
WSHP	≥ 100kWth
Shared ground loop heat pump systems	≥ 100kWth
Geothermal	All
Biogas	≥ 600kWth
Biomethane	All

There are three stages to the Tariff Guarantee application process; the information/evidence requirements for each are summarised in the table below (this is not exhaustive).

Stage 1	Stage 2	Stage 3
Renewable heating technology	Evidence that funds are available to cover the complete construction of the proposed project	Confirmation of technology; installation schematics, photographs, etc.
Business address & contact details	Evidence that said funds are formally committed to the project; for example, an investment agreement or other legal or contract documentation.	Any information regarding public grant funding repaid or not

Stage 1	Stage 2	Stage 3
Plant location	Evidence must be verified by an independent auditor	Details of relevant energy metering
Expected commissioning date	Any other supporting information the auditor feels supports their conclusions	Actual commissioning date and supporting evidence
Estimated total annual heat generation		Re-estimated annual heat generation
Expected total installation capacity		Actual total installation capacity with evidence
Expected power efficiency (solid biomass CHP only)		Actual power efficiency (solid biomass CHP only)
Evidence of the proposed heat use		Evidence plant was new at installation
Evidence of any granted planning permission		Environmental permit(s) where applicable
Declaration that the plant will fully or jointly owned by the applicant		Emissions certificate (for biomass applications only)

Stage 1 requires the submission of basic information about the proposed installation including applicant details, technology, location, estimated total annual heat generation and expected heating capacity.

From this information, Ofgem predicts the total cost to the scheme over the 20 years and confirms whether there is sufficient budget to accommodate the proposed installation. If there is, a 'Provisional Tariff Guarantee Notice' (PTGN) is issued which guarantees that the tariff rate for any future payments will be made based on the rates on the day the Stage 1 application was submitted. If not, the application is put into a queue until such time sufficient budget is made available either through increases to the budget or through the withdrawal of other applicants already holding PTGNs.

Currently for a new application and assuming a PTGN is issued, the Stage 2 application must be submitted within three weeks of the date the PTGN was issued, or before the closure of the non-domestic RHI to new applications of 31 March 2021, whichever is sooner.

It is also possible to submit both Stage 1 and Stage 2 applications in parallel where they will be reviewed simultaneously by Ofgem. The Stage 2 application requires submission of evidence of financial close for the project. Once Ofgem has reviewed this and are content, a Tariff Guarantee Notice (TGN) is issued guaranteeing the aforementioned tariff should the installation be fully accredited within the timelines specified. Other information may also be requested to provide assurance to Ofgem that the project remains as specified at Stage 1.

Stage 3 is the submission of any remaining details and evidence required to complete the full application. The submission of this information and the commissioning of the plant must occur on or before the 31 March 2022. Once this is approved by Ofgem, the application is fully accredited and will be eligible for payments from the date this occurs. Note that no payments will be made after 31 March 2041, meaning in the worst-case scenario, a site only receives 19 years of the available 20 years of payments.

Further information on this, including a flow diagram illustrating the process, can be found in [Ofgem's Guide to Tariff Guarantees](#).

6. What changes have been made to RHI arrangements in light of COVID-19?

The domestic RHI's date of closure to new applications has been extended by one year from 31 March 2021 to 31 March 2022. Furthermore, for installations with a commissioning date on or after 1 March 2019, the Government has amended the RHI Regulations to relax the existing requirement that an accreditation application must be made within 12 months of commissioning. For such installations, applications will be allowed up to the scheme's closing date of 31 March 2022. Where applications with a commissioning date on or after 1 March 2019 have previously been rejected due to the 12 month rule, a re-application can be made.

Under the non-domestic RHI, a new allocation (the third) of Tariff Guarantees was introduced on 20 July 2020, which allows applicants who apply on or after this date to have until 31 March 2022 to commission and submit a completed accreditation application (Stage 3). This is to reflect the disruption caused by COVID-19. Stages 1 and 2 must be completed by 31 March 2021.

Also for the non-domestic RHI, the Government has now introduced changes that allow eligible Non-Tariff Guarantee projects, which risk missing the non-domestic RHI closure deadline of 31 March 2021, to apply for a 12-month deadline extension following scheme closure. To take advantage of this concession the applicant must submit a properly made 'extension application' by midnight on 31 March 2021. Successful extension applicants will then have until 31 March 2022 to submit their full application for accreditation.

Extension applications can only be made for projects that are not eligible for tariff guarantees; consequently the technologies/capacities shown in the table under FAQ 5 are excluded. Furthermore, applicants must demonstrate that significant capital, or significant human or material resource has been invested into project development on or before 17 August 2020. Extension applications may not be made for a plant that is additional RHI capacity.

In addition to sufficient dated evidence of invested resource, an extension application must also contain the following information to be considered properly made:

- The plant's proposed source of energy and technology;
- The date on which the applicant expects the plant to be commissioned;

- The total heat that the applicant expects the plant to generate each year for eligible purposes;
- The expected installation capacity of the plant;
- The proposed location of the plant;
- Evidence as to the proposed heat use;
- The applicant's name and registered address;
- A declaration that the plant will be owned by the applicant, or jointly owned by the applicant and one or more other persons.

Precise details on the extension application process including evidence requirements can be found in the [Ofgem guidance](#) on Non-Tariff Guarantee Extension Applications.

7. What is planned in terms of RHI degression?

For both the domestic and non-domestic RHI schemes, whether degression for particular technology occurs or not depends on whether the expenditure forecast exceeds the total spending threshold of any technology grouping's annual budget. The Department for Business, Energy and Industrial Strategy (BEIS) produced an expenditure forecast statement monthly and quarterly. The quarterly statement includes details of any tariff degenerations triggered. It is only from these forecasts that one can predict the likelihood of when an RHI degression is likely to occur.

The table below shows the annual timing of each quarterly expenditure forecast and the associated dates from which any tariff changes take effect, and which will apply to any non-tariff guarantee installation accredited on or after that date for at least a quarter, but then subject to any subsequent degenerations.

Update data provided by Ofgem to BEIS	Quarterly expenditure forecast statement published by BEIS	Tariff change notice published by BEIS (if a degression is triggered)	Tariffs for next period published by Ofgem	Any tariff changes take effect from
31 January	1 March	1 March	15 March	1 April
30 April	1 June	1 June	15 June	1 July
31 July	1 September	1 September	15 September	1 October
31 October	1 December	1 December	15 December	1 January

You can view [the monthly and quarterly forecasts for estimated committed domestic RHI expenditure online](#), alongside other RHI budget management information including a domestic RHI tariff degression mechanism factsheet.

The [non-domestic RHI monthly and quarterly forecasts](#) are also available online, as is the [domestic RHI tariff table](#) and the [non-domestic RHI tariff table](#).

For the non-domestic RHI, the quarterly expenditure statement of 1 December 2020 was the last time that depressions could be triggered before the closure of the scheme at the end of March 2021. The depressions at that point affect installations accredited after 1 January. The tariffs for those submitting an extension application will be set as of the date of application for an extension application (see FAQ 6).

8. Is there any difference in how community and other projects are treated?

No; there is no distinction between community and other projects.

9. What needs to be done when commissioning to be sufficient to secure the RHI?

For the domestic RHI, the Microgeneration Certification Scheme (MCS) has procedures and checks that must be completed at commissioning in order for the plant to be eligible for the RHI. These should be documented with the commissioning certificate and provided to the RHI applicant by the MCS installer. It is their responsibility to follow industry standard procedures and checks and follow the plant manufacturer's commissioning guidelines.

Applicants should ensure they are satisfied with the quality of workmanship and ask for evidence that the manufacturer's commissioning guidelines have been followed to ensure any warranty on the plant remains valid. It is the responsibility of the applicant (installation owner) to provide this documentation to Ofgem. Personal copies of these documents should always be retained in case of audit.

The timeline for commissioning varies case-by-case so applicants are advised to allow sufficient time for this to take place.

For the non-domestic RHI, 'commissioned' means in relation to an eligible installation, the completion of such procedures and tests as constitute, at the time they are undertaken, the usual industry standards and practices for commissioning that type of eligible installation in order to demonstrate that it is capable of operating and delivering heat to the premises or process for which it was installed. Copies of the installer's or commissioning engineer's commissioning certificate and any associated checklist/proforma should be supplied to Ofgem at application and retained in case of audit.

10. Is there any guidance regarding what measures can be supported by public grants and still remain compatible with the RHI?

For the domestic RHI, a financial contribution to the cost of the heating equipment or its installation (or both) must have been made by either its current owner or one of its former

owners. Only where the eligible plant has been paid for entirely by a grant or another source of funding that the owner is not required to repay, would the system not be eligible. This could be by an organisation or individuals (including family members) or a combination of the two. Where local authorities provide funding out of their annual budget, but not for the entire cost, this is seen as making a financial contribution and the eligible plant remains eligible for RHI support.

Therefore, public grants can be used to pay partially for the eligible plant and installation but not entirely to remain eligible for RHI support. Applicants are always advised to consult with Ofgem ahead of the full application to confirm if a given grant funding scenario is acceptable or not.

Further guidance can be found in Section 5 of the [Domestic RHI Scheme Essential Guide for Applicants](#).

The non-domestic RHI regulations state that an eligible installation cannot be accredited if a grant from public funds has been, or will be, paid towards the costs of purchasing or installing said installation where this grant has not been paid back to the grant-making body or person.

However, where the grant has been used to purchase or install equipment that is not usually included in the definition of 'eligible installation' (anything not directly required for the plant's principal operation) this will not affect the eligibility of the application for RHI accreditation.

Examples of equipment which are not usually included in the 'eligible installation' definition include (although this is not exhaustive):

- Heat (hot water/liquid steam) meters
- Heat distribution system (e.g. pipes delivering heat to users, heating controls, pumps, valves, radiators/heat distribution heat exchangers etc) Note: distribution pipes to individual heat pumps in shared ground loop systems are included as part of an eligible installation.
- Heat storage equipment (eg domestic hot water tanks)
- Buildings that house the plant equipment (eg boiler house)
- Foundations

Applicants are advised to consult Ofgem on this matter where there is any doubt.

Section 4.19 of the ['Non-domestic RHI Guidance Volume 1'](#) states that as part of the accreditation process the applicant will be asked if public funds have been or will be received for any part of the installation. It is at Ofgem's discretion as to whether it contacts the applicant for further information on this matter.

Any equipment that makes up part of an eligible installation that was funded by public grants, but that has not been reimbursed to the grant-making body or person, could make the rest of the eligible installation ineligible for RHI support. Examples of such equipment include:

- the ground loop array of a ground or water source heat pump installation
- the fuel store for a biomass boiler installation
- the anaerobic digester tanks of a biogas combined heat and water (CHP) installation.

11. What length of warranty is required on the generation and required ancillary equipment for RHI? For example, does the warranty for a heat pump have to match the length of payment of the RHI?

There is no specific requirement under the domestic or non-domestic RHI for the accredited installation to be covered by any warranty or guarantee for any period. However, the domestic RHI requires all installations to be installed by MCS accredited installers. This is also the case for non-domestic RHI installations with a capacity less than or equal to 45kWth.

MCS installers must be registered with a Trading Standards Institute (TSI) Consumer Code. This ensures consumer protection which must go above and beyond minimum consumer law obligations. Plant owners are advised to have installers explain the specifics of this protection and the steps involved if things do go wrong. As MCS installers they must also offer Insurance Backed Guarantees (IBGs) on any new energy system they install. These IBGs are there in case the plant owner needs to make a claim on the installer's guarantee, but the installer is no longer trading and is therefore not in a position to honour the original guarantee.

Participants are advised to keep their accredited domestic plant in good working order or their accredited non-domestic RHI installation maintained to Ofgem's satisfaction and keep evidence of this including service and maintenance documents.

12. If we have a new non-domestic RHI (NDRHI) project to install heat pumps, what would we need to do by when to deliver the project and secure the NDRHI? What pathways are available to deliver the project eg Tariff Guarantee, pre-accreditation?

Any new applications are only eligible for the third allocation of Tariff Guarantees (TG), should they take this route of application. If the non-domestic heat pump installation in question has a capacity of 100 kWth or more then it would be eligible for this TG. If not, the full application must be made, and plant commissioned before 31 March 2021. This assumes the plant has not had capital invested prior to the 17 August 2020, which would make it eligible for the deadline extension as described in FAQ 6.

Stages one and two of the TG application process must be submitted to Ofgem before 31 March 2021. This means that initial calculations/feasibility studies must have been completed by this point, along with securing adequate capital funding and having an independent auditor verify the funds and the intention to use them to complete said project.

After this, stage three of the application and the commissioning of the plant must be completed and submitted to Ofgem on or before 31 March 2022. Should the installation be accredited, the RHI payments start from that date.

Some points of advice for such an application include:

- Continually evaluating timelines for stages like consenting periods, lead in and design time, installation, commissioning and planning permission. Given the short timescales at hand, it is very important to establish whether there is enough time to go ahead with the project.
- Considering if the heat pump in question will require a three-phase power supply. This can be both a costly and time-consuming process so should be one of the first things to establish before progressing with the project.
- As for all heat pump installations, it is important to evaluate the cost of optimising the heat distribution system for lower flow temperatures or improving building insulation against the lower running and capital costs of a smaller capacity low flow temperature heat pump. Heat pumps are not considered a drop-in replacement for existing high-temperature boilers, and the heating system should be designed accordingly to optimise performance.

13. Can new-build projects, including domestic housing, get the RHI?

New build projects where a builder is contracted by an individual to create a custom-built property, or where an individual builds it as a do-it-yourself self-build project, are classed as custom builds. These are eligible for the RHI under the following circumstances:

- the property was built or financed by the first owner via a loan or similar
- the property was first occupied after the commissioning of the plant, and
- the owner is and always has been an individual.

If at any point a property has been owned, even in part, by a non-individual (any organisation made up of more than one person with a recognised legal entity, such as housing developers, community organisations and housing co-ops that are legal entities) the plant becomes ineligible for the RHI. Further information on this topic can be found in [Ofgem's 'I have a newly built house. Am I eligible?' help sheet.](#)

14. Are air-to-air heat pumps eligible for RHI?

No. Air-to-air heat pumps are not eligible because for both the domestic and non-domestic RHI, a liquid or steam must be the medium used for delivering heat to the point(s) of use. Consequently, for air source heat pumps (ASHP), only air-to-water/liquid heat pumps are eligible.

15. What is permitted in terms of repair, refurbishment and replacement of parts during operation? Does replacement or refurbishment of a current air source heat pump system with RHI affect the RHI? For example, an ASHP system which is out with warranty and is failing, meaning that the system requires replacement or refurbishment to continue to heat the building.

An RHI-registered plant can be removed from its position for maintenance or minor repairs, turned back on and reconnected to the heating system, as long as the plant remains at the location for which it has been assigned accreditation. Should the plant require major repairs or maintenance that must be conducted at a separate location from the plant's accredited location, the participant must notify Ofgem before removing the plant from its accredited location.

From 1 October 2018, participants who wish to replace their accredited plant will be able to do so, no matter the reason for doing so. Eligible replacement plants will retain the same tariff and scheme lifetime as the original plant which they have replaced. They must be of the same technology and use the same source of energy as the original plant. Replacement plants must meet the eligibility requirements applicable to the original plant. For solid biomass boiler installations, the replacement plant must adhere to the current air quality requirements irrespective of the original RHI accreditation date.

Should the replacement plant be of a different capacity to the original, the tariff applicable to the original plant remains intact, even if the new capacity results in a tariff boundary being crossed. In this way, the total annual eligible heat reported each year is capped at what the original plant would have feasibly been able to generate. Where the original plant was in receipt of a tiered tariff, a change in capacity affects the tiering threshold for the replacement plant. If the replacement plant has a higher capacity than the original plant, the tiering threshold continues to be based on the capacity of the original plant. Where the replacement plant has a smaller capacity than the original plant, the tiering threshold is based on the replacement plant.

For worked examples where both smaller, larger, and the same capacity plants replace the original, please see section 12.8 of the [Non-domestic RHI Guidance: Volume 2](#).