



Notification Number: 2014/174/UK

The Renewable Heat Incentive Scheme (Amendment) Regulations 2014

Date received : 08/04/2014
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Issue of comments by : Commission
Fiscal Measures : Yes

Message

Message 001

Communication from the Commission - TRIS/(2014) 01028

Directive 98/34/EC

Notificación - Oznámení - Notifikation - Notifizierung - Teavitamine - Γνωστοποίηση - Notification - Notification - Notifica - Pieteikums - Pranešima
Bejelentés - Notifika - Kennisgeving - Zawiadomienie - Notificacão - Hlásenie-Obvestilo - Ilmoitus - Anmälan - Нотификация : 2014/0174/UK -
Notificare.

No abre el plazo - Nezahajuje odklady - Fristerne indledes ikke - Kein Fristbeginn - Viivituste perioodi ei avata - Καμμία έναρξη προθεσμίας - Doe
open the delays - N'ouvre pas de délais - Non fa decorrere la mora - Neietekmē atlikšanu - Atidėjimai nepradedami - Nem nyitja meg a késéset
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(MSG: 201401028.EN)

1. Structured Information Line

MSG 001 IND 2014 0174 UK EN 08-04-2014 UK NOTIF

2. Member State

UK

3. Department Responsible

Department for Business, Innovation and Skills
European Reform Directorate
1 Victoria Street, London, SW1H 0ET.

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3. Originating Department

Department of Energy and Climate Change

4. Notification Number

2014/0174/UK - N00E

5. Title

The Renewable Heat Incentive Scheme (Amendment) Regulations 2014

6. Products Concerned

1) Requirement to be certified under the Combined Heat and Power Quality Assurance Standard to be eligible for the new tariff available for solid biomass combined heat and power systems.

2) Eligibility requirement for ground source heat pumps and air source heat pumps to be designed and installed to operate with a seasonal performance factor of 2.5.

3) Requirement for ground source heat pumps which are capable of both heating and cooling to calculate a design heat load in accordance with EN 12831:2003.



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4a) For plants under 45kW in capacity, for which there is an existing requirement to be certified under the Microgeneration Certification Scheme, the introduction of an alternative to be certified under an equivalent scheme accredited under EN 45011 or EN ISO/IEC 17065:2012.

4b) Plants under 45kW, for which there is a requirement to be certified under the Microgeneration Certification Scheme (or equivalent scheme) must also be installed in accordance with the relevant installation standard. The 'relevant installation standard' is:

- (i) version 4.0 of "Microgeneration Installation Standard: MIS 3004" for solid biomass plants
- (ii) version 4.0 of "Microgeneration Installation Standard: MIS 3005" for heat pumps
- (iii) version 4.0 of "Microgeneration Installation Standard: MIS 3001" for solar thermal plants

7. Notification Under Another Act

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8. Main Content

The RHI scheme is designed to incentivise the generation of renewable heat in the United Kingdom, taking into account the financial and non-financial barriers present, whilst ensuring that the renewable heat technology and its installation are of suitable quality and value for money and that the heat generated and used, for which payments will be made, is measured using suitable measuring equipment.

These changes are to introduce support for new technologies, ensuring that new plants accredited on the scheme are of suitable quality and are generating heat from renewable sources.

Keywords: renewable heat; technology; installation; Combined Heat and Power Quality Assurance Standard; Seasonal Performance Factor; design heat load; BS EN 12831:2003; Microgeneration Certification Scheme; EN 45011; EN ISO/IEC 17065:2012

9. Brief Statement of Grounds

The RHI scheme is designed to pay a financial incentive to generators of renewable heat provided the equipment they use meets certain eligibility criteria. Following the launch of this scheme in November 2011 work has continued to make improvements to the scheme. Feedback from consultants has confirmed criteria which should be used to ensure heat is generated by renewable sources and that technologies are of suitable quality without placing an undue burden.

1) Requirement to be certified under the Combined Heat and Power Quality Assurance (CHPQA) Standard to be eligible for the new tariff available to solid biomass combined heat and power systems.

Biomass combined heat and power (CHP) plants, which currently are eligible to receive support on heat produced at the standard biomass tariff, will now be eligible to receive an uplifted tariff. This tariff is based on the particular costs associated with CHP plants. The CHPQA standard provides:

- a means of checking that the plants are genuine CHP and not another heat source.
- an annual check that the plants continue to be operated as CHP
- the ability to check that metered heat output claimed under RHI over the course of the year does not exceed Qualifying Heat Output under CHPQA
- a test that there is an economically justifiable use of heat

2) Eligibility requirement for ground source heat pumps and air source heat pumps to be designed and installed to operate with a seasonal performance factor (SPF) of 2.5.

Heat pumps are only considered renewable by the European Commission if they have an SPF of at least 2.5. The SPF is the ratio of heat output to electricity input expressed as an average over the year. This requirement ensures that heat pumps supported under the Renewable Heat Incentive are of a suitable level of efficiency and performance and ensures that heat is produced from renewable sources as opposed to electrical input.

3) Requirement for ground source heat pumps which can both heat and cool to calculate a design heat load in accordance with BS EN 12831:2003

Ground source heat pumps now receive a tiered tariff whereby heat produced under a certain initial amount, which is determined by the plant's capacity, will receive an initial 'tier 1' tariff; and any heat produced beyond this amount will receive a lower 'tier 2' tariff. The reason for this is that, without this tiering structure, the level of support is high enough to incentivise participants to generate more heat than is required in order to receive more RHI payments.

The amount of heat which can receive the higher 'tier 1' tariff is based on installation capacity. For heating and cooling ground source heat pumps capacity may be higher than the maximum heating output of the plant, thereby inflating the amount of heat which can receive the higher tier 1 tariff. Therefore, for heating and cooling heat pumps we instead use the design heat load, which is the heat flow required to achieve the planned heating requirements for the plant, as the capacity for the purposes of establishing how much heat is eligible for the tier 1 tariff.

BS EN 12831:2003 provides an industry standard to calculate the design heat load accurately.

4a) For plants under 45kW in capacity, for which there is an existing requirement to be certified under the Microgeneration Certification Scheme, the introduction of an alternative to be certified under an equivalent scheme accredited under EN 45011 or EN ISO/IEC 17065:2012.

4b) Plants under 45kW, for which there is a requirement to be certified under the Microgeneration Certification Scheme (or equivalent scheme) must



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- (iii) version 4.0 of "Microgeneration Installation Standard: MIS 3001" for solar thermal plants

The MCS scheme has previously been notified to the Commission (see Notification 2007/458/UK). The rationale for the linking of the RHI scheme MCS scheme is to ensure the quality and value for money of installations in an immature market. It also helps to ensure value for money for the financing of the scheme drawn from the public purse. The MCS standards provide protection for consumers relating to technical aspects of the installation. MCS also ensures that people who buy renewable heating systems are covered by consumer protection schemes governing the relationship with, and service they receive from, their installer.

The standards for equivalent schemes are the same as those used for the domestic RHI and have already been notified to the Commission (see notification 2014/0015/UK).

Keywords: renewable heat; technology; installation; Combined Heat and Power Quality Assurance Standard; Seasonal Performance Factor; design heat load; BS EN 12831:2003; Microgeneration Certification Scheme; EN 45011; EN ISO/IEC 17065:2012

10. Reference Documents - Basic Texts

References of the Basic Texts: The draft regulations will be made using powers conferred on the Secretary of State by section 100 of the Energy Act 2008. The amendments are proposed to introduce support for new technologies, ensuring that new plants accredited on the scheme are of suitable quality and are generating heat from renewable sources. A copy of this amendment is enclosed.

The original Renewable Heat Incentive Regulations 2011 (SI 2860), as amended by the Renewable Heat Incentive (Amendment) Regulations 2012 (SI No. 1033) are the regulations which are to be amended. The original regulations and their amending regulations are enclosed.

Details of the suite of changes to the Renewable Heat Incentive are in the policy document "Non-domestic Renewable Heat Incentive Improving Efficiency and Increasing Uptake".

Furthermore, links to the three MCS standards referred to in section 9 above are provided here:

- Microgeneration Installation Standard: MIS 3004 -

<http://www.microgenerationcertification.org/images/MIS%203004%20Issue%204.0%20Biomass%202013.12.16%20FINAL.pdf>

- Microgeneration Installation Standard: MIS 3005 -

<http://www.microgenerationcertification.org/images/MIS%203005%20Issue%204.0%20Heat%20Pump%20Systems%202013.12.16%20FINAL.pdf>

- Microgeneration Installation Standard: MIS 3001 -

<http://www.microgenerationcertification.org/images/MIS%203001%20Issue%204.0%20Solar%20Heating%20-%202013.12.16%20FINAL.pdf>

11. Invocation of the Emergency Procedure

No

12. Grounds for the Emergency

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13. Confidentiality

No

14. Fiscal measures

Yes

15. Impact assessment

Yes

16. TBT and SPS aspects

TBT aspect

No - The draft has no significant impact on international trade

SPS aspect

No - The draft is not a sanitary or phytosanitary measure



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Support

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