
DRAFT STATUTORY INSTRUMENTS

2011 No.

The Renewable Heat Incentive Scheme Regulations 2011

PART 5

Periodic support payments

Payment of periodic support payments to participants

37.—(1) Periodic support payments shall accrue from the tariff start date and shall be payable for 20 years.

(2) Periodic support payments shall be calculated and paid by the Authority.

(3) Subject to regulation 43(5) and paragraphs (7) and (9) of this regulation, the tariff for an accredited RHI installation shall be fixed when that installation is accredited.

(4) Subject to paragraph (7), the tariff for a participant who is a producer of biomethane is the biomethane and biogas combustion tariff set out in Schedule 3.

(5) Subject to paragraphs (6), (7) and (9), the tariff for an accredited RHI installation is the tariff set out in Schedule 3 in relation to its source of energy or technology and installation capacity.

(6) For the purposes of paragraph (5), where the accredited RHI installation is one of a number of plants forming part of the same heating system its installation capacity is to be taken to be the sum of the installation capacities of that accredited RHI installation and all plants for which an application for accreditation has been made (whether or not they have been accredited) which—

- (a) use the same source of energy and technology as that accredited RHI installation; and
- (b) form part of the same heating system as that accredited RHI installation.

(7) The tariffs—

- (a) for the period beginning with the commencement of these Regulations and ending with 31st March 2012, are the tariffs set out in Schedule 3; and
- (b) for each subsequent year commencing with 1st April and ending with 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).

(8) The Authority must calculate the tariff rates each year in accordance with paragraph (7) and publish on or before 1st April of each year a table of tariffs for the period commencing with 1st April of that year and ending with 31st March of the following year.

(9) Where an accredited RHI installation receives the small commercial biomass tariff or the medium commercial 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 relevant 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 kWhth generated by an accredited RHI installation running at its installation capacity for 1,314 hours.

Periodic support payments for accredited RHI installations in simple systems

38.—(1) This regulation applies to participants who own an accredited RHI installation (“the installation”) which—

- (a) is generating and supplying heat solely for one or more eligible purposes used in one building;
- (b) does not deliver heat by steam; and
- (c) is not a CHP system.

(2) Subject to regulations 40 and 41, participants shall be paid a periodic support payment for the installation in respect of each quarterly period calculated in accordance with one of the following formulae, as applicable—

- (a) $A \times B$; or
- (b) where the installation is generating heat from the combustion of biogas, $A \times (B - C)$,

where—

A is the tariff for the installation determined in accordance with regulation 37;

B is the heat in kWhth generated by the installation during the relevant quarterly period; and

C is the heat in kWhth directed from the installation or delivered by any other source to the biogas production plant which produced the biogas combusted in the relevant quarterly period (other than heat contained in feedstock used to produce biogas by anaerobic digestion).

Periodic support payments accredited RHI installations for complex systems

39.—(1) This regulation applies to participants who own an accredited RHI installation (“the installation”) which does not fall within regulation 38.

(2) Subject to regulations 40 and 41, participants shall be paid a periodic support payment for the installation in respect of each quarterly period calculated in accordance with one of the following formulae, as applicable—

- (a) $A \times B \times \frac{D}{E}$; or
- (b) where the accredited RHI installation is generating heat from the combustion of biogas,

$$A \times (B - C) \times \frac{D}{E},$$

where—

A is the tariff for the installation determined in accordance with regulation 37;

B is the heat in kWhth used by the heating system of which the installation forms part during the relevant quarterly period for eligible purposes;

C is the heat in kWhth directed from the installation or delivered from any other source to the biogas production plant which produced the biogas combusted in the relevant quarterly period (other than heat contained in feedstock to produce biogas by anaerobic digestion) or, where there is no such heat, zero;

D is the heat in kWhth generated by the installation during the relevant quarterly period; and
E is the heat in kWhth generated by all plants supplying heat to the same heating system of which the installation forms part in the relevant quarterly period.

Fossil fuel contamination of solid biomass and fossil fuel used for permitted ancillary purposes

40.—(1) This regulation applies to participants generating heat in an accredited RHI installation—

- (a) where the heat is generated from solid biomass contained in municipal waste (“Case A”);
or
- (b) where the heat is generated from solid biomass, not being solid biomass contained in municipal waste, and the capacity of the installation is 1MWth or above (“Case B”).

(2) In Case A, the periodic support payment calculated in accordance with regulation 38 or 39 shall be reduced pro rata to reflect the proportion of the energy content of the municipal waste used in the relevant quarterly period which was composed of fossil fuel and, where fossil fuel has been used for permitted ancillary purposes in accordance with regulation 28, to reflect the proportion of fossil fuel so used which resulted in the generation of heat.

(3) In Case B, the periodic support payment calculated in accordance with regulation 38 or 39 shall be reduced pro rata to reflect the proportion of fossil fuel contamination in the relevant quarterly period determined in accordance with regulation 29 and, where fossil fuel has been used for permitted ancillary purposes during the relevant quarterly period in accordance with regulation 29, to reflect the proportion of fossil fuel so used which resulted in the generation of heat.

Fossil fuel contamination adjustment to periodic support payments for producers and combusters of biogas produced from gasification and pyrolysis

41.—(1) This regulation applies to participants producing biogas from gasification or pyrolysis and generating heat from that biogas in an accredited RHI installation.

(2) Where, in accordance with regulation 31, a participant uses feedstock contaminated with fossil fuel, the periodic support payment calculated in accordance with regulation 38 or 39 shall be reduced pro rata to reflect the proportion of fossil fuel contamination in the feedstock used by the participant in the relevant quarterly period.

Periodic support payments to producers of biomethane

42. Participants producing biomethane for injection shall be paid a periodic support payment in respect of each quarterly period calculated in accordance with the following formula—

$$A \times (B - (C + D + E)) \times F,$$

where—

A is the biomethane and biogas combustion tariff determined in accordance with regulation 37;

B is the kWh of biomethane injected in any quarterly period;

C is the kWh of propane contained in B;

D is the kWhth of heat supplied to the biogas production plant (other than heat contained in feedstock to produce biogas by anaerobic digestion) which produced the biogas from which the biomethane was made, from any heat source other than heat generated from the combustion of that biogas;

E is the kWhth of heat supplied to the biomethane production process; and

F applies only in relation to biomethane made using biogas produced from gasification or pyrolysis, and is the proportion of biomass contained in the feedstock used in the relevant quarterly period to produce the biogas.