

What does the RHI mean for Biomass?



Biomass heating systems burn fuel such as wood pellets, chips or logs to provide central heating and hot water in a home.

Subject to the air quality and fuel sustainability, the eligible types of biomass technologies are:

- ✓ Biomass only boilers (covering all solid biomass, including logs and chips)
- ✓ Biomass pellet stoves with back boilers

Condensing biomass boilers will not initially be eligible for the domestic RHI. However, this may change following the outcome of current tests by Defra.

All of the heat output of biomass systems is considered renewable under the Renewable Energy Directive, so payments are based on the estimated heat use from the EPC (Energy Performance Certificate).

Calculating payments for deemed properties

(payments based on estimated heat use)

All participants to the scheme will be paid at quarterly intervals over the seven years' payment lifetime. The following figures calculate the total annual payment.

For biomass installations: All of the heat output is counted as renewable. The tariff rate is multiplied by the annual deemed heat load (kWh) taken from the EPC:

$$kWh \times \text{tariff (p/kWh)} \div 100 = \text{£/yr}$$

Householders installing biomass will be offered an optional additional payment of £200 per year for purchasing a Metering and Monitoring Service Package from their installer that meet specific requirements.

This measure has been introduced to encourage the householder to take out these packages which is believed to give peace of mind that their installation is working as expected; enable the installer to continually improve performance where possible; and also to diagnose common problems if they occur.

Where a biomass system is installed alongside another space heating system, such as an existing oil boiler or another renewable technology, a meter will need to be installed for the biomass system. The payment amount will be capped at the level of expected heat use from the deemed calculation.

If a biomass system is used together with solar thermal to heat water, the RHI can be claimed twice - once on the biomass system and once for the solar thermal system. Provided the biomass system isn't bivalent or installed in a second home, each system will receive its full deemed amount and no metering will be needed.

To be eligible for and continue to receive RHI for a biomass system, fuel needs to be sourced from a supplier registered on an approved supplier list. This list is available on the Ofgem website at www.ofgem.gov.uk/publications-and-updates/domestic-renewable-heat-incentive-product-eligibility-list. Householders will be required to make an annual declaration that they are using only approved fuel from an approved supplier, and keep receipts as evidence for future audits.

It's not just biomass installations that will benefit, the government scheme is available for other domestic heat technologies including:

- Solar thermal
- Air Source Heat Pumps
- Ground Source Heat Pumps