



Businesses are now applying under the new Renewable Heat Incentive (RHI) scheme, which pays out to businesses that use renewable heating technology at their premises, after an initial two-month delay to the scheme.

The RHI scheme provides for regular payments to owners of premises where water or space is heated using renewable heating technologies. The payments are made for 20 years, and increase or reduce annually in line with the Retail Prices Index.

The eligible technologies ('installations') include solar thermal panels, biomass boilers, ground and water source heat pumps, geothermal plants and the production of biomethane for injection into the gas grid.

To qualify, installations must provide heating for multiple residential dwellings such as flats. They must be accredited, and preliminary accreditation can be applied for once planning permission has been granted.

After a two-month delay, the RHI for non-domestic generators opened for applications on Monday 28 November 2011, with the first payments expected to be made in early 2012. The Government hopes the scheme will result in 14,000 industrial installations and 112,000 in the commercial and public sector by 2020. Existing installations already commissioned on or after 15 July 2009 are eligible for accreditation.

The payments are calculated by reference to the type and size of the installation. They do not apply where the solar or biogas installation has a capacity of 200kW or more – about 40 times

the amount used in a year in the average home. However, the amounts of certain payments have been reduced since the scheme was originally published. Businesses will now be paid up to 7.9p per kWh for biomass boilers, 8.5p per kWh for solar thermal and up to 4.5p per kWh for heat pumps, so businesses will need to double-check to make sure the scheme is still worthwhile.

The RHI scheme is administered by Ofgem, who accredit installations, make payments, monitor compliance and make inspections.

If eligible, and if commercially viable, consider whether to apply under the scheme but if businesses are in any doubt, consider taking specialist professional advice.

Find out more about the scheme at the [Department of Energy and Climate Change website](#)