

Incentive for greener home heating

Rural homeowners living off the gas network have long had to pay extra for oil, LPG or electric heating. The Domestic Renewable Heat Incentive (RHI) is here to encourage these households to consider lower carbon alternatives when replacing an old boiler.

The RHI aims to even out the relative cost of installing and running a new renewable heating system instead of one using fossil fuel. With the RHI you receive a payment for every unit of renewable heat it is estimated your system will generate. Supported heaters include biomass or pellet boilers, air, ground or water source heat pumps, and solar thermal panels.

The RHI is open to homeowners, private landlords, social landlords and self-builders. If you installed a renewable heat system between 15 July 2009 and 8 April 2014 you may also be eligible. Application for the RHI is by a form on the [Ofgem website](#). You can also get free advice from the Energy Saving Advice Service on 0300 123 1234.



Biomass boiler in a rural farmhouse

Photo courtesy of www.superhomes.org.uk

Notes for Editors:

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1. Rural Homeowners Paying a Premium

In 2011, the average cost of heating a three bedroom house was almost 50% higher for oil heating than mains gas. Heating oil bills are up 235% since 1999.

2. Domestic Renewable Heat Incentive

The Government launched the Domestic RHI on 9th April 2014. The RHI pays participants who generate and use renewable energy to heat their buildings. By increasing the generation of heat from renewable energy sources (instead of fossil fuels), the RHI will help the UK reduce greenhouse gas emissions.

2.1. Eligibility

To be eligible the heating system must be MCS (or equivalent scheme) certified and the installer must be MCS certified and a member of the renewable energy consumer code (RECC). However, MCS registration alone does not guarantee eligibility.

2.2. Tariffs

Tariffs are paid per kWh of renewable heat generated. The amount of heat generated from an installation will be based on an estimate of the property's expected annual heat usage.

Technology	Tariff
Air-source heat pumps	7.3p/kWh
Ground and water-source heat pumps	18.8p/kWh
Biomass-only boilers and biomass pellet stoves with integrated boilers	12.2p/kWh
Solar thermal panels (flat plate and evacuated tube for hot water only)	19.2 p/kWh

The tariffs have been set at a level that reflects the expected cost of renewable heat generation over the 20 year lifespan of the equipment. Payments are made on a quarterly basis, concentrated over 7 years, and rise annually in line with the retail price index (RPI).

For most people application is online at the Ofgem website.

<https://www.ofgem.gov.uk/environmental-programmes/domestic-renewable-heat-incentive>