



earthtestenergy

Renewable Heat Incentive as applied to Ground Source Heat Pumps



TARIFF PAYMENTS OF £60,000



Domestic Renewable Heat Incentive opens for applications Spring 2014

On the 12th July 2013, the Department of Energy and Climate Change published the final policy for the Domestic Renewable Heat Incentive. The scheme will open for applications in the Spring of 2014. The tariff payments for ground source heatpumps will be 18.8 pence for each kilowatt hour of renewable heat generated. The scheme will pay out for seven years.

Eligibility

Existing residential properties and new self build properties will be eligible. Second houses and holiday homes will be paid against metered heat outputs, whilst other properties will be paid against the deemed heat usage based upon an Energy Performance Certificate for the property. For existing properties, there will be a precondition that a Green Deal Assessment is undertaken and insulation levels in the roof and the cavity walls are brought up to economic levels. Green Deal Loans will be available to assist with the expenditure.

Systems which have been installed since July 2009 will be eligible, but must be registered by 22nd October 2013.

Payments

The tariff payment for ground source heatpumps will be 18.8 pence per kilowatt hour of renewable heat generated, for a period of 7 years. The consumption will be calculated on a deemed basis, and will use the figure taken on the Energy Performance Certificate.

The main difference from the Non Domestic scheme and all previous consultations is the payment is only for renewable heat; that is the electricity consumption of the heatpump and the borehole pump are deducted from the heat output generated.

This further emphasises the importance of getting heat out of the ground at the highest possible temperature and delivering it into the house at the lowest possible temperature thus maximising heatpump efficiency and minimising electricity consumption.

It is expected that Heat Emitter Guide produced by DECC and others will be used to estimate the electrical consumption of the system and thus the RHI Payments.

This chart shows typical total payments over the seven year payment period and the saving in heating bills

House Type	Heating System	Water Temp °C	Heat Pump Size				Saving Against Oil
			12kw	16kw	26kw	45kw	
Modern	Underfloor Heating	30	£29,000	£38,000	£63,000	£109,000	50%
Modern	Radiators	55	£25,000	£34,000	£55,000	£96,000	40%
Solid Wall	Underfloor Heating	45	£27,000	£36,000	£59,000	£103,000	30%
Solid Wall	Radiators	60	£24,000	£32,000	£52,000	£91,000	20%

Properties connected to the gas main

Tariff payments are calculated to reward people changing from oil or lpg. However those with mains gas will be eligible for RHI payments, and if the heating system in the house is efficient, there will be significant financial benefits.

New Build Houses

For speculative developments, provided more than one house is heated by a heatpump system, then the scheme will be eligible for Non Domestic Renewable Heat Incentive tariff payments.

Early Applications

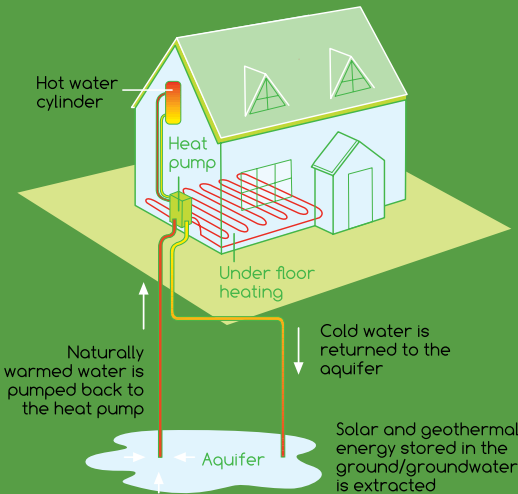
Early applicants will receive 18.8 pence plus inflation for every kilowatt hour generated during the seven year period. As the demand for heat pumps increases the government will produce a mechanism to gradually reduce the tariffs for new applications.

Earthtest Energy

Of necessity these predictions are generalised. Send us details of your house and your post code, and we will provide a full proposal together with

our estimate of your RHI entitlement. We can also arrange for a Green Deal Assessor to undertake a full assessment and produce an Energy Performance Certificate, so that our estimate can be validated.

See our other literature and web site for details of how we can provide a total heating solution with benefits continuing after the RHI payments have finished.





TARIFF PAYMENTS TOTALLING £52,000 PLUS INFLATION AGREED, BUT NEW TARIFFS LIFT THIS TO £89,000 FOR SIMILAR PROJECTS COMPLETED SINCE JANUARY 2013

Non Domestic Renewable Heat Incentive payments are already being paid and are expected to double under the current review

Earthtest Energy secured the first ever Renewable Heat Incentive Accreditation from Ofgem for installation of a Ground Source Heat Pump system to heat an office conversion.

Under the Early Tariff Review published in May 2013, new systems accredited since 21st January 2013 will receive tariff payments of between 7.2 pence and 8.2 pence per kilowatt hour of heatpump output.

Eligibility

In addition to commercial and retail properties, domestic properties which share a heatpump system will be eligible for the Non Domestic RHI. So a house with a granny flat would be eligible, as would a housing development drawing heat from a single borehole. The new tariffs will also apply to schemes larger than 100kw.

Earthtest Energy

The rules for Non Domestic RHI are complex, talk to us about your project and we will propose the most cost effective solution.



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Bridge Mills, Huddersfield Road, Holmfirth, HD9 3TW

Tel 01484 681 314

email info@earthtestenergy.com | web www.earthtestenergy.com