

Renewable Heat Premium Payment scheme – Phase 2

Frequently asked questions

1. What is the Renewable Heat Premium Payment Scheme?

The Renewable Heat Premium Payment scheme is designed to support people who want to install renewable heat technologies. This programme builds upon the success of the first scheme which closed on 31st March 2012.

2. What is the difference between Phase 1 and Phase 2?

As with RHPP Phase 1 (Aug 11 – Mar 12), this new scheme will offer one-off grants to householders across England, Scotland and Wales (the scheme is not available to addresses in Northern Ireland, the Isle of Man or the Channel Islands) to help with the cost of installing renewable heating technologies and will also include a competition for social landlords to bid for funds to install renewable heat technologies within their housing stock. In addition, RHPP Phase 2 will include a competition for communities to bid for funds to demonstrate renewable heating in homes. However, in terms of the voucher for heat pumps, applicants will be required to ask their installer to complete a checklist confirming if their heating systems is 'meter ready' or not. This means that space has been left to install metering equipment, isolator valves have been installed on the central heating pipework and the pipework is accessible. Full details will be supplied with all heat pump vouchers.

3. Are the vouchers allocated, restricted and spread across the different technologies? Or is the system just based on customer demand?

£25m has been made available for this programme. Some money has been put aside for a competition between social housing providers (£10m approx.) as well as the new Communities Programme (£8m approx). We have approximately £7m of funding available for the householder scheme including installation of the meters

As a major objective of this scheme is to learn about the technologies in different types of housing, we may have to restrict money to some technologies in later months to ensure a fair spread of technologies.

4. What happens if I have not had time to claim my Voucher from Phase 1?

For those applicants holding a voucher from Phase 1, all claim paperwork had to be received in the EST by your voucher expiry date or 31st March 2012, whichever was sooner. No vouchers from Phase 1 will be accepted after the 31st March cut-off.

However, householders who missed this deadline will be able to apply under Phase 2 of the new RHPP scheme but they will need to meet the eligibility criteria as new applicants.

5. How will the householder scheme work for Phase 2?

Individuals must carefully read the eligibility rules for the scheme. There are important differences between last year's scheme and Phase 2. Anyone wishing to install a heat pump should be aware that we are asking all potential applicants to ask their installer to complete a checklist which will need to be signed by the installer. This will demonstrate whether the heat pump installed is 'meter ready'.

Once you understand the new rules, you will be able to apply for a voucher in the usual way which will be issued once the online application form is completed, self-certifying your eligibility. Once one of the qualifying technologies has been installed (in accordance with the new rules for heat pumps to allow meters to be fitted) the voucher can be exchanged for a rebate. If you are issued with a voucher, a rebate is automatically reserved for you.

Once your equipment has been installed and you return the claim documentation, the administration team will assess your claim and assuming that the relevant conditions of the scheme are met, these funds will be released to you within 31 days. However, you should note that if your installer deems your heat pump not to be suitable for a meter (eg. too little space), you will receive 80% of your voucher at the point of claim, and the remaining 20% within 10 working days at the end of the scheme on 31st March 2013.

6. How will any payment be made?

For heat pump installations, all householders will receive 80% of their voucher value when a valid claim, accompanied by a signed checklist from your installer setting out whether the installation is “meter ready”, is submitted. Householders will receive their final 20% when confirmation is received (via installer declaration or a visit from the metering team) that the system is “meter ready” and the meter starts providing data.

Where a system is not “meter ready” the householder will receive the final 20% of the rebate at the end of the scheme within 10 working days of 31st March 2013. Any incorrect declarations made during the application and claim stages may result in the grant being withheld or repaid.

NB, Biomass Boiler and Solar Thermal installations are not subject to metering and applicants will receive 100% of their rebate when a valid claim is submitted.

7. How do I apply for a Renewable Heat Premium Payment?

You will be able to register your interest in the scheme from 2nd to 30th April – www.energysavingtrust.org.uk/RHPP

The householder scheme will open to applications on 1st May 2012. You can apply online by going to the Energy Saving Trust website www.energysavingtrust.org.uk/RHPP. If you do not have access to the internet you will be able to apply by calling an Advisor on 0800 512 012.

Before making an application, please read the eligibility criteria listed on the Energy Saving Trust website to make sure you are eligible for the scheme. It is very important that those with vouchers check they have met all the conditions on that voucher, as we reserve the right not to pay claims if the scheme terms and conditions and the terms on the voucher have not been met. Receiving a voucher is not sufficient evidence that you are entitled to a rebate.

8. Who can apply for a voucher?

Individuals who **own** their own property and reside within England, Wales or Scotland can apply for installations at their **primary** residence. Please note that this scheme does not apply to residents of Northern Ireland, the Isle of Man or the Channel Islands. If you rent your property privately, approach your landlord as you will need to work with them to apply for the scheme.

9. What are the eligibility criteria?

The main criteria are as follows:

- Applicants must be the owners of or reside in the property for which the grant is applied (alternatively applicants who have leasehold ownership or tenancy occupation must have permission from the property freeholder) and it must be their primary residence.
- For heating systems other than solar thermal, the renewable heating system being installed must be the main heating source in the house. For example, wood burning stoves heating one room are not eligible.

- The installation address must be situated in England, Scotland or Wales (the scheme is not available to addresses in Northern Ireland, the Isle of Man and the Channel Islands) and must be the applicant's primary residence or a property occupied for the majority of the year.
- Eligible technologies are Solar Thermal Hot Water, Air to water source Heat Pumps, Ground Source Heat Pumps, water to water heat pumps and biomass fuelled boilers (e.g. wood or wood pellet). **Please note**, Air to air heat pumps, exhaust air heat pumps, wood fuelled stoves (unless they are part of a system with a back boiler) and bioliquid fuelled systems are **not** eligible for this scheme.
- Solar Thermal Hot Water systems will be available to **all** householders.
- For the other technologies applicants must **not** currently use mains gas supply for their heating system or have removed a mains gas heating system
- Applicants must use a Microgeneration Certification Scheme (MCS) or Solar Keymark certified installer and product or equivalent. Please see www.microgenerationcertification.org for more details.
- Renewable heating systems must supply a permanent residential building (mobile homes, caravans, house boats and systems heating swimming pools only are not eligible).
- Basic energy efficiency measures must have been installed at the installation address (loft insulation up to 250mm where appropriate, cavity wall insulation where practicable). More information can be found on the Energy Saving Trust's website www.energysavingtrust.org.uk/RHPP or call your local Advisor on 0800 512 012.
- Applicants must have received all relevant permissions for the installation including planning permission where required. If in doubt, please confirm with your local authority whether planning permission is required.

10. Can I install the heating system before applying for a voucher?

Yes but please read the scheme eligibility rules first. Please note, installations where the system was commissioned by an MCS Installer for the first time after 21st July 2011 (as evidenced by an MCS Installer Certificate) are eligible for support under this scheme. This is irrespective of when the system was put into use for the first time.

11. Will I need to pay for any monitoring that is carried out?

- No but householders who have had heat pumps installed will have additional meters attached to their installation (free of charge) as the Government is keen to monitor and learn more about the performance of the system. They will **not** have to pay for this work or take any of the readings themselves.
- For everyone else, any meters and controls which come with the product already will be sufficient. You will be asked through surveys information about these meters and the bills that you get; and in particular how easy it is to understand the meters and the controls, as well as general feedback on your satisfaction with the system installation and its performance.

- All applicants have agreed to let a meter be installed as part of the terms and conditions of the scheme. Refusal to allow a meter to be installed will result in the grant being reclaimed.

12. What information will you gather for the monitoring and what will you do with all the information you collect?

The Government will pay for additional metering where a Heat Pump has been installed. These meters will send information about energy use automatically back to us so this will not require any additional work from the householder.

13. What is happening with the Renewable Heat Incentive (RHI)?

The Government remains committed to providing longer term support for the deployment of renewable heat in the domestic sector. In November 2011, the RHI was launched for industrial, commercial and public sector installations. More recently (26 March 2012), the Government announced the work programme for delivering longer term support to the domestic sector. :

| Milestone | Timing |
|--|--|
| Publication of Interim Cost Control Consultation Document | 26 March 2012 |
| Deadline for responses to Interim Cost Control Consultation Document | 23 April 2012 |
| Interim Cost Control Regulations in place | July 2012 |
| Consultation on longer term Cost Control Regime, air quality and biomass sustainability proposals | July 2012 |
| Consultation to consider extending support to new technologies in the non-domestic sector | September 2012 |
| Consultation on proposals for the deployment of renewable heat in households | September 2012 |
| Longer term Cost Control Regime Regulations, air quality and biomass sustainability proposals laid in Parliament | November 2012 |
| Parliamentary debates of longer term Cost Control, air quality and biomass sustainability | Subject to Parliamentary time |
| Air quality and biomass sustainability standards in place | Following Parliamentary debates |
| Longer term Cost Control Regime policy to be implemented | By the end of the current financial year (2012/13) |
| Implementation of biomass sustainability standards | Mid March 2013 |
| Likely date for new support available for the non-domestic scheme available | Summer 2013 |
| Likely date for implementation of longer term support for the domestic sector | Summer 2013 |

http://www.decc.gov.uk/en/content/cms/meeting_energy/Renewable_ener/incentive/incentive.aspx

For updates on RHI please visit:

Ofgem E-Serve - <http://www.ofgem.gov.uk/e-serve/RHI/Pages/RHI.aspx>

DECC - http://www.decc.gov.uk/en/content/cms/meeting_energy/Renewable_ener/incentive/incentive.aspx

14. If I receive a Renewable Heat Premium Payment, will I still be able to apply for the Renewable Heat Incentive when it is introduced?

People who have installed equipment under RHPP Phase 1 (Aug 11-Mar 12) or Phase 2 (May 12 – Mar 13) will be eligible for support through the RHI providing they meet the eligibility criteria of the full RHI scheme, as will anybody else who has installed eligible equipment since 15 July 2009.

15. Which technology is right for me?

It depends on the location of your house and what you require from the system. For information on each microgeneration technology and their suitability please visit the Energy Saving Trust website (www.energysavingtrust.org.uk), call your local Advisor on 0800 512 012 or approach heating specialists or other experts for a range of opinions.

16. How much are the Renewable Heat Premium Payments?

It depends which technology you are applying for. The voucher values for each of the technologies is listed below.

| Technology | Voucher Value |
|---|---------------|
| Solar Thermal Hot Water | £300 |
| Air Source Heat Pump | £850 |
| Ground Source or Water Source Heat Pump | £1250 |
| Biomass boiler | £950 |

17. Can I apply for more than one technology?

Yes, although you must complete a separate application form for each technology. You cannot apply twice for the same technology at the same installation address even if more than one system is being installed.

18. If there is an annexe building to my main house will I only be able to apply for one voucher for this technology even though they are technically separate properties with different occupiers?

Only one voucher for each technology will be awarded per installation address. If the annexe is separately rateable for council tax purposes then it will be viewed as a different installation address. Applicants may be asked to show evidence of this by the RHPP administration team.

19. I received a grant under the Low Carbon Buildings Programme/Clear Skies programme/RHPP Phase 1; can I apply for a voucher for a new different installation under this scheme?

Yes although in these cases you cannot apply for funding for your existing installation or a technology which has previously received grant funding. The new system must also be used instead of an existing fossil fuel or electric heating system.

20. What if I can't install the required basic energy efficiency measures?

You must install **appropriate** energy efficiency measures to be eligible for a voucher - so this is a requirement only where it is possible to install the measures. So, for example, if you live in a solid wall property that does not have cavities then you do not need to install cavity wall insulation. . If in doubt, please contact an Energy Saving Trust advisor on 0800 512 012.

21. How can I find an MCS certificated installer and product or an equivalent?

You can check whether an installer or product is MCS certified or find a local installer by going to the MCS website (www.microgenerationcertification.org) or by calling an Advisor on 0800 512 012.

22. Why do I have to use an MCS installer and product or equivalent?

Installers and products used for the Renewable Heat Premium Payment scheme are certified by MCS (or an equivalent) which is an independent certification scheme designed to certify microgeneration products and installers in accordance with consistent standards. The primary aim of the MCS is to provide consumers with confidence and protection by guaranteeing that microgeneration products and installers who carry the mark meet, and will continue to meet, these robust quality standards.

23. Is there any guarantee should my technology not work to expectations?

If you use an MCS installer and product (or equivalent) for your installation you should receive a warranty for both the equipment and workmanship of your installation. Ask your installer about this – it is always a good idea to seek more than one quotation and you may wish to consider the type of warranty on offer alongside other considerations such as price.

24. Can I still apply for a voucher if a non-certified installer performs the installation?

You cannot apply for a voucher if a non MCS certified installer is carrying out the full installation and system commissioning. However, if an MCS certified installer commissions the system after the non-certified installer has finished the installation you would be able to apply. In this case, the MCS certificated installer must fill out the MCS Installer Certificate, and you must provide a suitable chain of invoices showing all of the costs of the installation.

25. Can I still receive a grant if someone is using my installation as the first job on which they will be assessed for the MCS or equivalent scheme?

Yes. However, it will still be necessary to get a MCS certificate or equivalent assessing that the job was in accordance with the rules of the scheme and return this with the completed voucher and the invoice to the EST within the deadlines on the face of the voucher. It can take several weeks or even months to assess whether the job is in accordance, which would need to be factored into the project timetable. The absence of a certificate, or a delay waiting for a certificate, on the grounds that the installer was in the process of gaining MCS certification or equivalent, is not a sufficient reason to grant an extension to the deadline on the voucher, so there is an increased risk that your claim will not be honoured. There is also a risk that the installer is not certified at the end of the process – and again, in those circumstances, the claim would not be met. So you need to be aware of this risk if agreeing to use somebody going through the process of certifying under the MCS or equivalent. For more details of the MCS process, see

<http://www.microgenerationcertification.org/admin/documents/Process%20for%20installation%20used%20for%20mcs%20assessment%2026-03-2010%20Final.pdf>

26. How long will it take to receive my voucher?

If the information you have given in your application satisfies the eligibility criteria of the scheme then you will usually receive immediate confirmation of whether your application has been successful. If you have been awarded a voucher, this will be emailed to your nominated email address within 24 hours. Occasionally applications will be referred to our administration team for further checking. You will be alerted to this once your application has been submitted and you will receive notification of whether it has been successful within 10 working days.

27. If I make a successful application to the scheme and receive a voucher, how long is it valid for?

This depends on the technology you have applied for. The voucher validity periods for each of the technologies are listed below.

| Technology | Validity Period |
|-------------------------|------------------------|
| Solar Thermal Hot Water | 3 months |
| Air Source Heat Pump | 5 months |
| Ground Source Heat Pump | 6 months |
| Biomass boiler | 6 months |

The expiry date on the voucher refers to the date that a valid claim **must be received** by the Energy Saving Trust. In any case, no voucher will be valid beyond the voucher expiry date or 31st March 2013, whichever is sooner and **no extensions are available**.

The completed claim together with the voucher, installer declaration, invoice and the MCS installer certificate should be sent to the address indicated on the voucher. It is recommended that this is sent by Royal Mail Special Delivery.

28. I live in a house owned by my Local Authority/Housing Association, can I apply for a voucher?

You must own (or privately rent) the property where you are applying for an installation. However, there is a part of the scheme that your Local Authority/Housing Association may be able to apply for if they wish. Please see information on the Social Housing stream.

29. Can I pay a deposit before I apply for my voucher?

Please note that any payment you make to your installer is done at your own risk. Making an application does not automatically guarantee that you will receive a voucher.

30. Will I need planning permission for my installation or to notify my Local Authority?

Most installations are now classed as permitted development which means planning permission is not needed, but this will depend on the technology you are installing and where you live. Please check with your Local Authority before proceeding to ensure you have all of the correct permissions required or refer to the Planning Portal - <http://www.planningportal.gov.uk/permission>. To satisfy building regulations please make sure that your installer is a member of the relevant competent person scheme. Please see the Department of Communities and Local Government website for more information - <http://www.communities.gov.uk/planningandbuilding/buildingregulations/competentpersonsschemes>

31. Can I claim the RHPP for a new build property?

Only householders occupying the new build or becoming the private Landlord for the property can apply for a voucher. So, for example where a householder applies for a voucher in respect of a main heating system in their newly completed house, or in the case of individual self-build at point of completion, this would be eligible. Please note, a new build to qualify, must be registered with your local authority, and proof of this registration must be provided if requested by the EST administration team.

Householders applying in relation to an off-plan development, or installers, builder/developers are **not eligible** for this scheme.

32. Will I need an environmental permit for my installation?

For biomass boilers and some ground source heat pumps (“open loop”, or “closed loop” systems which are also near a river or body of water), an environmental permit will be needed. Contact the Environment Agency for more details – see

<http://www.environmentagency.gov.uk/business/topics/128133.aspx>

33. Are air to air heat pumps eligible?

No.

34. Are bioliquid heating systems eligible?

No.

35. Are exhaust air heat pumps supported?

No.

36. Are biomass hot air systems or wood burning stoves eligible?

No, only biomass systems which heat water to provide space heating are eligible. However, if your wood burning stove provides the main heating source through a back boiler, it will be eligible. Please be aware that Government is currently considering whether biomass stoves, even where they are the main heating source through a back boiler, will be supported under the long-term Renewable Heat Incentive (RHI). At this stage, we cannot guarantee that they will be. DECC will be consulting on support for domestic participants in due course.

37. What is the definition of off-gas?

As long as the applicant does not / has not used mains gas as their fuel for space heating then they are eligible to apply even if the property is connected to mains gas. We will be inspecting a number of installations for compliance with terms and conditions and this is one of the areas we will be looking at.

38. If a customer has mains gas as a secondary heating fuel for a room heater (oil as their primary source of heating) will they qualify for RHPP?

Yes as long as mains gas is not the primary heating fuel they will be displacing.

39. If a property with mains gas is fully renovated with under floor heating and a heat pump, can the customer apply for RHPP?

No. Properties which use / have used mains gas are not eligible even if they are undergoing major refurbishment.

40. Will you support second hand kit or renewable energy systems replacing existing renewable systems?

No, the kit has to be new and the system should normally replace a fossil fuel or electric heating system (except for self build new-build).

41. I am proposing to install a new biomass boiler system/heat pump which will serve lots of houses. Can I apply for RHPP?

No, because such systems are eligible under Phase I of the main RHI you should apply under that programme.

42. Who do I contact if my heating system does not work?

In the first instance, contact the person who installed the system.

43. Who do I contact if I am unhappy about the administration of the scheme, or my application is rejected?

If there is a problem with the administration or handling of the scheme as opposed to the quality of the installation or performance of the product, in the first place write to Energy Saving Trust.

RHPP Complaints, Energy Saving Trust, 2nd Floor, Ocean Point 1
94 Ocean Drive, Edinburgh, EH6 6JH
e-mail – rhpremium@est.org.uk

If you are not satisfied with the response, and think that the rules of the scheme have not been followed, write to the Department of Energy and Climate Change.

Renewable Heat Team, Department of Energy & Climate Change, 3 Whitehall Place, London, SD1A 2AW
e-mail – correspondence@decc.gsi.gov.uk

If you are still not satisfied, write to the Parliamentary Ombudsman whose details can be found at <http://www.ombudsman.org.uk/>.

44. What happens if I am disappointed with the performance of my chosen technologies or it fails to work? Do I have to return the grant if I remove the system – say after 4 months?

Yes. If you get a refund from the installer, you will have to return the grant. If you find yourself in this position, please contact the Energy Saving Trust for details of how to return the funds.

Please note, it is a requirement of the scheme that both the installer and product are certified under the Microgeneration Certification Scheme (MCS). MCS installers must offer consumers written estimates of the likely energy outputs from an installation. Please refer to the REAL Assurance Code website (<http://www.realassurance.org.uk>) to see what you should expect from an MCS certified installer

45. What happens if I am disappointed with the performance of my chosen system and I wish to raise a complaint about my installer?

Within MCS and its consumer Code, there are various routes for complaints. If a consumer is dissatisfied, they should complain, in the first instance, to the installer company and ask them to put right anything that may be wrong. If a complaint is not resolved by the MCS company, is a complaint relating to technical issues or to a faulty product, the complaint should pass to the MCS certification body (for that installer company, or product) to investigate the complaint further. Please refer to www.microgenerationcertification.org for detailed information. If not resolved by the company, any complaint related to consumer issues, should be passed to REAL Assurance, <http://www.realassurance.org.uk>.

46. What is the customer survey? Where do I send the results of the customer survey? How often is it required to be sent?

All applicants are required to complete a survey on aspects of your heating system such as its performance. Therefore, it is important to make sure that you are comfortable with the idea of providing information such as how much you used to pay for your heating and electricity, and how much you pay after installation. We are also interested in your broader views such as, what you think of the kit, how easy was it to arrange installation etc.

It is possible that this information may become public (but not your name, your full address, your date of birth or any other information which would allow the comments to be attributed to you). This type of information will enable Government, manufacturers, installers and consumers to better understand how to maximise performance of the various technologies, to help ensure it reflects what people want.

47. Is there a penalty for missing the survey deadlines?

If you are eligible for the RHI, DECC reserves the right to withhold access to the Renewable Heat Incentive if the terms and conditions of the RHPP are subsequently discovered not to have been met after the payment of the grant. If you have been asked to fill in a survey, those administering the RHI will check to see if it was completed, and may contact you when you apply.

49. The boiler scrappage scheme prompted industry to introduce further special offers, will this happen with heat technologies?

Phase 1 of RHPP ran for 8 months, so we do not have a definitive answer at this time. We would certainly encourage installers and manufacturers to work with the Renewable Heat Premium Payment scheme to make the offers available as attractive as possible to customers.

50. EST research showed that there are lots of heat pumps not performing to expectations. Why are these technologies being supported?

Government sees heat pumps as an important heating system for the future and is therefore keen to learn more about them in the context of delivering on our renewable energy targets. The information we get from people who have put in an installation under both phases of RHPP will be an important addition to what we are learning from the field trials.