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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which apply to Northern Ireland, amend the Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012 (the “2012 Regulations”) and the Domestic Renewable Heat Incentive Scheme (Northern Ireland) 2014 (the “2014 Regulations”). The 2012 Regulations established a renewable heat incentive scheme for non-domestic and the 2014 Regulations a renewable heat incentive scheme for domestic, under which owners of plants which generate heat from specified renewable sources and meet specified criteria may receive payments at prescribed tariffs for the heat used for eligible purposes. The 2012 Regulations and 2014 Regulations confer functions on the Department in connection with matters relating to the general administration of the schemes.

Regulation 4 amends regulation 3 in the principal Regulations to extend the scheme to cleaning and drying carried on otherwise than in a building.

Under regulation 4 of the 2012 Regulations a plant meets the eligibility criteria for inclusion in the scheme under these regulations if;

- (a) it is a heat pump which complies with the requirements of regulation 8;
- (b) it is a CHP system which complies with the requirements of regulation 9.

Regulations 6 and 7 amend these requirements.

Regulation 8 amends regulation 16 to extend metering of plants in simple systems to CHP systems.

Regulation 9 inserts a new regulation 24A allowing accredited RHI installations to be moved to a new location.

Regulation 10 amends regulation 36 of the 2012 Regulations to introduce a tiered tariff for small and medium commercial biomass tariff, and also introduces an annual cap of 400,000kWh for eligible heat payments.

Regulation 11 amends regulation 37 of the 2012 Regulations to expand periodic support payments for accredited RHI installations in simple systems to CHP.

Regulation 12 inserts a new regulation 38A restricting periodic support payments for CHP systems accredited in relation to the Renewables Obligation.

Regulation 13 amends regulation 42 (which makes provision for the treatment of additional RHI capacity) so that it refers to the new tariffs in Schedule 4.

Regulation 14 updates reference in Schedule 1 in the 2012 Regulations to reflect insertion of 24A.

Regulation 15 inserts Schedule 4 in the 2012 Regulations introducing a tiered tariff structure for medium biomass and a new CHP tariff from 5 October 2015.

Regulation 17 amends the definition of “Seasonal Performance Factor” used for calculating the annual heat generation of heat pumps in the 2014 Regulations.

Regulation 18 amends regulation 13 to remove the reference to “public tenancy” and its definition. Thus excludes plants on land forming part of such a tenancy from the requirements for meetings.