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STATUTORY INSTRUMENTS

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**2021 No. 76**

**The Domestic Renewable Heat Incentive  
Scheme and Renewable Heat Incentive  
Scheme (Amendment) Regulations 2021**

**PART 3**

**Amendment of the Renewable Heat Incentive Scheme Regulations 2018**

**CHAPTER 6**

**Amendment of Part 6**

**Amendment of regulation 52 (review of accreditation or registration following notification of a change in circumstances)**

**22.** In regulation 52 (review of accreditation or registration following notification of a change in circumstances), in paragraph (1)(b), for “54,” substitute “52A, 54, 54A,”.

**Insertion of regulations 52A and 52B**

**23.** After regulation 52 (review of accreditation or registration following notification of a change in circumstances) insert—

**“Modification of installation capacity — shared ground loop systems**

**52A.**—(1) This regulation applies to an accredited RHI installation which is a ground source heat pump or a shared ground loop system.

(2) The participant must notify the Authority on or before 31st March 2023 of any plan to modify the installation capacity of the accredited RHI installation by adding one or more ground source heat pumps in the circumstances set out in paragraph (3) (“plan to modify capacity”).

(3) The circumstances are—

(a) any ground source heat pump to be added to the accredited RHI installation as part of the modification (“additional ground source heat pump”)—

(i) will be commissioned as part of a shared ground loop system; and

(ii) will meet the eligibility criteria set out in regulation 11; and

(b) after the commissioning of any additional ground source heat pump, there will be an increase in the amount of heat in kWhth generated by the accredited RHI installation for eligible purposes.

(4) A notification under paragraph (2) must be made in writing to the Authority and must—

(a) provide details of the plan to modify capacity, including—

- (i) whether the participant plans to modify the installation capacity under this regulation once only, or twice;
    - (ii) the total intended installation capacity of the accredited RHI installation following the modification or modifications detailed in the plan (“total intended installation capacity”);
    - (iii) the date on which the participant expects each additional ground source heat pump to be commissioned (“expected commissioning date”); and
    - (iv) the amount of heat in kWhth which the participant expects each additional ground source heat pump to generate each year for eligible purposes; and
  - (b) be supported by—
    - (i) details of the process by which the participant proposes to modify the installation capacity of the accredited RHI installation;
    - (ii) such of the information specified in Schedule 2 as the Authority may require;
    - (iii) a declaration that the information provided by the participant is accurate to the best of the participant’s knowledge and belief; and
    - (iv) a declaration that the participant will be the owner, or one of the owners, of each additional ground source heat pump.
- (5) On receipt of a notification under paragraph (2), the Authority may request the participant to provide within a period of no less than four weeks starting with the date of the request—
- (a) further information specified in Schedule 2;
  - (b) evidence of any heat loss calculation used in determining the increase in the amount of heat in kWhth to be generated by the accredited RHI installation for eligible purposes;
  - (c) evidence to demonstrate to the Authority’s satisfaction that the shared ground loop system is an appropriate size for the total intended installation capacity.
- (6) On reviewing a plan to modify capacity, the Authority must send the participant a written notice—
- (a) approving or rejecting the plan;
  - (b) if the plan is rejected, giving reasons; and
  - (c) if the plan is approved, specifying—
    - (i) that the Authority is satisfied as to the matters mentioned in paragraph (7); and
    - (ii) the tariff which will apply to the accredited RHI installation in relation to the total intended installation capacity.
- (7) The Authority must not approve a plan to modify capacity unless satisfied that—
- (a) the circumstances in paragraph (3) apply;
  - (b) the evidence and information required by paragraphs (4) and (5) have been provided;
  - (c) the accredited RHI installation will continue to meet the eligibility criteria and should accordingly continue to be accredited;
  - (d) regulation 52B(4) does not apply;

- (e) where regulation 53(1)(a) or (b) applies, the metering requirements in regulation 24 will be met;
  - (f) the notification under paragraph (2) was made on or before 31st March 2023.
- (8) A participant must notify the Authority within 28 days after modifying the installation capacity of an accredited RHI installation in accordance with a plan approved under this regulation.
- (9) A participant may not modify the installation capacity of an accredited RHI installation under this regulation more than twice during the tariff lifetime for that installation.
- (10) A notification under paragraph (8) in relation to a modification must contain—
- (a) the commissioning date or expected commissioning date for each ground source heat pump added as part of the modification;
  - (b) the installation capacity of the accredited RHI installation following the modification (“new installation capacity”);
  - (c) evidence that the new installation capacity does not exceed the total intended installation capacity; and
  - (d) evidence of any heat loss calculation used in determining the increase in the amount of heat in kWhth generated by the accredited RHI installation for eligible purposes.
- (11) On receipt of a notification under paragraph (8), the Authority may request the participant to provide, within a period of no less than four weeks starting with the date of the request, additional information in order to be satisfied as to the matters specified in paragraph (12)(a) to (c).
- (12) Paragraphs (13) and (14) apply if the Authority is satisfied that, following a modification—
- (a) the accredited RHI installation continues to meet the eligibility criteria;
  - (b) the new installation capacity does not exceed the total intended installation capacity; and
  - (c) there has not been a material change in circumstances such that, had the plan to modify capacity been notified under paragraph (2) after the change, it would have been rejected.
- (13) The Authority must update the central register referred to in regulation 30(9)(c) if appropriate.
- (14) Periodic support payments taking account of the amount of heat in kWhth generated for eligible purposes by the ground source heat pump or pumps added as part of the modification, calculated from the date in paragraph (15), are payable in accordance with these Regulations.
- (15) The date is the commissioning date for the last ground source heat pump added as part of the modification.
- (16) The tariff which will apply to the accredited RHI installation from the first quarterly period following the date in paragraph (15) is—
- (a) if as a result of the modification there is no change in the tariff category (as defined in regulation 56), the relevant tariff set out in Schedule 6 determined as at the tariff start date for that installation;
  - (b) if as a result of the modification there is a change in the tariff category, the relevant tariff set out in Schedule 6.

(17) In calculating the initial tariff or subsequent tariff, “initial heat” in regulation 63(6) must be determined taking into account the installed peak heat output capacity of the ground source heat pump or pumps added as part of the modification.

(18) The addition of any ground source heat pump or pumps to an accredited RHI installation in accordance with a plan approved under this regulation does not alter the tariff end date or the tariff lifetime for that installation.

### **Budget allocation for modification of installation capacity — shared ground loop systems**

**52B.**—(1) The Secretary of State may—

- (a) determine and publish a budget allocation for modifying installation capacity under regulation 52A (“budget allocation”) for any of the financial years 2021/2022, 2022/2023 and 2023/2024;
- (b) review the budget allocation for a current or future financial year; and
- (c) as a result of such a review, increase the budget allocation for that year.

(2) For the purpose of determining the budget allocation for a financial year, the Secretary of State must publish—

- (a) an estimate of inflation for the financial year; and
- (b) load factors applicable for each relevant technology.

(3) The Authority must consider plans to modify capacity in the order in which it receives notification of them under regulation 52A(2).

(4) Where the Secretary of State publishes a budget allocation for a financial year, the Authority must not approve a plan to modify capacity where the estimated total modified capacity commitment for a financial year would exceed the budget allocation for that year if the plan were approved.

(5) Following an increase in budget allocation pursuant to paragraph (1)(c), or any decrease in the estimated total modified capacity commitment resulting from the withdrawal or rejection of a plan to modify capacity, the Authority must proceed to consider outstanding plans in the order in which it receives notification of them under regulation 52A(2).

(6) In this regulation—

“estimated annual payment”, in relation to a plan to modify the installation capacity of a plant under regulation 52A, means—

$C \times LF \times H \times T \times I$

where—

- (i) C is the expected installation capacity of the plant following the modification;
- (ii) LF is the heat load factor for the plant’s technology, published by the Secretary of State under paragraph (2);
- (iii) H is the number of hours in a financial year;
- (iv) T is the tariff which will apply under regulation 52A(16); and
- (v) I is the estimate of inflation for a financial year, published by the Secretary of State under paragraph (2);

“estimated total modified capacity commitment”, in relation to a financial year, means the sum of the estimated annual payments for every plan to modify capacity which has not been withdrawn by the applicant or rejected by the Authority;

“financial year” means a 12 month period commencing on 1st April and ending with the following 31st March;

“plan to modify capacity” has the meaning given in regulation 52A(2).”.

#### **Amendment of regulation 54 (changes in ownership)**

24. In regulation 54 (changes in ownership), in the heading, after “ownership” insert “of accredited RHI installations”.

#### **Insertion of regulation 54A**

25. After regulation 54 (changes in ownership) insert—

##### **“Change of producer of biomethane for injection**

**54A.**—(1) This regulation applies where—

- (a) a person begins to use equipment to produce biomethane for injection (“new producer”); and
- (b) a registered producer of biomethane for injection (“the original producer”) is receiving periodic support payments for the production of biomethane for injection using that same equipment.

(2) No periodic support payment may be made to the new producer until—

- (a) the new producer has notified the Authority of the change;
- (b) the steps required by paragraph (4) have been completed; and
- (c) periodic payments to the original producer for the production of biomethane for injection using the same equipment have stopped.

(3) On receipt of a notification under paragraph (2)(a), the Authority may require the new producer to provide information which the Authority considers necessary for the proper administration of the Scheme.

(4) If the Authority is satisfied that the ongoing obligations will continue to be complied with by the new producer and that the eligibility criteria will continue to be met, the Authority must (subject to regulations 31 and 81(4))—

- (a) update the central register referred to in regulation 32(10)(b) by substituting the name of the new producer; and
- (b) send the new producer a statement of eligibility including the following information—
  - (i) the date of registration of the original producer;
  - (ii) the date on which the new producer is added to the register;
  - (iii) the tariff which applies;
  - (iv) the process and timing for providing meter readings, if applicable;
  - (v) details of the frequency and timetable for periodic support payments; and
  - (vi) the tariff lifetime and tariff end date.

(5) The Authority may refuse to register a new producer where it considers that one or more of the applicable ongoing obligations will not be complied with.

(6) The new registered producer must be paid periodic support payments (calculated from the date of receipt of a notification under paragraph (2)(a) until the tariff end date

in accordance with these Regulations) if injection of biomethane produced by the new registered producer has commenced.

(7) This paragraph applies where, within the period of 12 months beginning with a change of producer, the Authority becomes aware that a new producer is using equipment to produce biomethane for injection and a registered producer of biomethane for injection is receiving periodic support payments for the production of biomethane for injection using that same equipment, and—

- (a) no notification is made under paragraph (2)(a); or
- (b) any information required under paragraph (3) is not provided to the Authority.

(8) If paragraph (7) applies, at the end of the period of 12 months specified in that paragraph—

- (a) the original producer will cease to be registered; and
- (b) no further periodic support payments may be made in respect of any biomethane produced using that equipment.

(9) The period specified in paragraph (7) may be extended by the Authority where the Authority considers it is just and equitable to do so.”.

**Amendment of regulation 55A (replacement plants)**

**26.** In regulation 55A (replacement plants), after paragraph (1) insert—

“(1A) An accreditation application under paragraph (1) may be made after Scheme closure.”.