

The Non Domestic Renewable Heat Incentive (NDRHI) closes for applications on the **31st March 2021**.

For projects completing after this date, there is the option to apply for a **Tariff Guarantee (TG)**. Applications will need to be submitted by **31st March 2021** but ideally well in advance of this.

Projects approved for TG will need to be commissioned by **31st March 2022**.

The Tariff Guarantee process has been outlined in a timeline in the following pages to assist with project planning, to help ensure applications are successful and ensure acceptance to the scheme prior to the deadline.

To qualify for TG each array will need an installed capacity of **over 100kW**, based on the combined heat pump capacity on an array. For example **34 x 3kW Shoebox = 102kW capacity**.

The NDRHI Tariff for systems **over 100kW** degressed on the **1st July 2020** to **6.98p/kWh** for Tier 1 and **2.08p/kWh** for Tier 2. It digressed further to **5.58p/kWh** and **1.66p/kWh** in **October 2020** and it is likely to digress a further **20%** for the final quarter in **January 2021**. Therefore, applications would benefit from being submitted as soon as possible to avoid potential further depression.

Based on current deployment levels estimated tariff levels to the end of the scheme are as follows:

Dates	Tier 1 p/kWh	Tier 2 p/kWh
Up to 30th September 2020	6.98	2.08
Up to 31st December (current)	5.58	1.66
Up to 31st March 2021 (assumed)	4.45	1.32

For installation below **100kW** it is expected that the tariffs will remain at current tariff levels of **9.68p/kW** and **2.84p/kWh** but would not qualify for TG and as such would need to be complete by **March 2021** to be eligible.

Key Dates

Stages

Now

Start as soon as possible.
10 week process for detailed design from provision of full project information.

Place design order

To allow Kensa to undertake design work required for Stage 1 TG application. Order to be confirmed based on the Kensa design proposal.

As soon as possible.
The process can take a few days to a few weeks dependent on the organisation.

Set up account

Set up NDRHI account. This can be used for NDRHI and TG applications. Create account on Ofgem website or provide Kensa with access to existing account, if the organisation already has one. Kensa will provide details & assistance if required.

As soon as possible.
The process can take weeks or months dependent on project type or planning authority. For New build - if GSHP was specified in any official planning documents this will be adequate.

Secure planning

Secure planning / Permitted development rights (PDR) confirmation from local authority (LA) for GSHP installation. This can be a letter from planning authority confirming PDR have been met, a PDR application, or full planning dependent on type of project. Kensa can provide further advice on evidence required for RHI application where necessary.

By 30th September 2020
At the latest to ensure current tariff secured.
By 31st December 2020
At the latest to ensure TG is accepted.

Stage 1 NDRHI TG Application

Kensa will submit technical application based on the detailed design work completed. Evidence of planning (as above) will need to be included in this part of the application.

Within 3 weeks of acceptance of Stage 1.

Stage 2 Application

Provide 3rd party independent evidence that funds are available to complete the installation.

Dependent on Ofgem.

TG Application approved

Ofgem will email account signatory, confirming application approved.

Key Dates

Stages

At any point between their expected commissioning date and midnight 31 March 2022.

Commission installation
Install and commission a minimum of 2 heat pumps on each array.

By 31st March 2022.

Stage 3 application
Submission of Commissioning certificates and EPC's for initial installations.

Dependent on Ofgem.

Application accredited
Ofgem will email account signatory, confirming application accredited.

3 to 4 months after Accreditation.

Receive 1st Non-Domestic Renewable Heat Incentive payment
Ofgem will provide payments to designated account.

After initial installations are commissioned and accredited.

Modified Capacity
Additional heat pumps can be added to arrays after initial commissioning. RHI payments will start for these properties once commissioning data is submitted and accredited by Ofgem.

Modified Capacity (MC) can be installed at any time, provided that the total capacity to be installed is specified within the original stage 1 application. Any modified capacity will receive the balance of RHI funding from the commissioning date (of the additional capacity) rather than the full 20 years. For example, heat pumps commissioned 3 years after the original scheme closure date of 31st March 2021 will only receive 17 years of NDRHI income, as all payments for the scheme will cease on 31st March 2041. Currently, no end date has been set for the maximum timeframe where capacity can be added; Kensa is seeking clarification from Department for Business, Energy & Industrial Strategy (BEIS) to confirm this.

Deadline

20 years of NDRHI income until 31st March 2041

End date for MC has not been confirmed yet