



# Green Updates – Nov 2020

## RHI

The Government has announced a 12-month extension to heat pump projects under 100kWth that can provide evidence they have committed significant resource to the development of the project before 17 August 2020.

To get this extension applicants will need to submit an extension application during the last month before the official closure of the ndRHI (March 2021).

The evidence required as part of this application is split into two categories: Primary and Secondary. One piece of primary evidence and two pieces of secondary evidence are required as part of the extension application – for full evidence list see gov.uk

Examples of primary evidence:

- · Signed and dated contract or loan for construction and installation
- Signed and dated fuel supply contract
- Dated acceptance of offer to connect with local network operator
- Invoices related to the installation e.g. environmental consultant fees for environmental studies / M&E engineer fees for thermal design
- Dated approval of, or application, for planning permission
- · Dated evidence that planning permission is not required
- There are two types of secondary evidence, category A and category B. You must have two category A or one A and one B.

Examples of secondary evidence:

- A Dated email to relevant authority enquiring about planning permission
- A Dated enquiry for grid connection to local network operator
- · A Dated evidence that detailed quotation/estimated costs of works was provided to applicant
- B Dated feasibility study
- B Dated evidence of room-by-room heat loss assessment

Heat pump projects above 100kWth are not included as the Tariff Guarantee extension is in place for these systems. Under this, projects have until 31 March 2021 to present stage 2 financial information (funds are available and committed to the project) and will then be allowed until 31 March 2022 to commission.

#### 2 GREEN HOMES GRANT

There has been an update to the GHG voucher scheme. The scheme now runs until **31** March 2022 – vouchers will be valid for 3 months from issue or until 31 March 2022 whichever is shortest.

If seeking to maximize use of the GHG vouchers, landlords should seek legal advice on whether this grant is considered state aid. Otherwise only around 30 vouchers are available per landlord.

#### Procure Plus comment on funding futures:

While RHI might be ending, the extension of the GHG voucher scheme until 2022 followed by the Clean Heat Grant will provide a reliable trajectory of CAPEX funding for low carbon projects until at least 2024.

Landlords wanting to formalise plans to utilise these funding streams should contact <u>ellie.voke@procure-plus.com</u> or <u>david.kemp@procure-plus.com</u>

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#### Heat Network (Metering & Billing) Regulations

As per a previous Procure Plus briefing note in December 2019, BEIS is introducing a series of amendments to the Heat Network (Metering & Billing) Regulations.

The changes will mean heat suppliers (an entity that charges a final customer for heat including if it is covered in a service charge / rent) must:

- Undertake cost-effectiveness assessments and install meters where required
- Bill final customers on heat consumption where heat meters are already or will be installed based on cost-effectiveness tool results

These will come into force on 27 November 2020 and heat suppliers will have 21 months to implement the requirements

More details and support documents will be available on the gov.uk website from 27 November 2020

### OTHER NEWS

The Government has published their 10 point plan to meet net zero targets. Procure Plus' David Kemp will be providing comment on this shortly – full details will be available on our website <u>www.procure-plus.com</u>.

A consortium bid led by GMCA, including 10 landlords and Procure Plus, has been submitted requesting for £7m as part of the SHDF Demonstrator. If successful, funding will be awarded in early December 2020.



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