

Media Release
For immediate release – 3rd May 2016

RHI is ‘disappointing’ for the non-domestic heat market

‘Disappointing’ is the message from leading trade body the Industrial & Commercial Energy Association, ICOM in response to the DECC Consultation: The Renewable Heat Incentive: A reformed and refocused scheme.

Ross Anderson, Director of ICOM said “*We understand that the Government has to get value for money from their policies, however, the proposed changes to the non-domestic RHI give the wrong message regarding renewable energy.*

Biomass boilers have been the most popular category under the non-domestic RHI, but by reducing the tariff, will not encourage a greater take up of heat pumps. This proposed reduction in tariff will reduce the biomass boiler sales and will drive end users to using fossil fuel products based on a cost decision.

The guaranteed tariff proposals will not have the desired effect as the starting point of 2MW is too high and ICOM have proposed 500kW. Decision makers need to know that a project will be on the same cost basis at the time of commissioning as it had when initially signed off.

We believe solar thermal should remain within the scheme, as it is the technology that people see and they relate solar to renewable energy. The removal of the solar tariff will contribute to the message that renewable energy is not important.

All too often the non-domestic heating sector is the ‘poor relation’ to the domestic sector. If this Government truly wants the RHI to encourage the uptake of renewable

heating systems within the non-domestic market it needs to create a scheme that is both workable and robust.”

To read the consultation response in full please visit

www.eua.org.uk/sites/default/files/RHI-Consultation-March-2016.pdf

ICOM is a division of the Energy and Utilities Alliance, EUA. EUA has published a report on the RHI entitled 'RHI: A Smarter Approach'.

To read the report please visit www.eua.org.uk/sites/default/files/RHI-A-Smarter-Approach-2016.pdf

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Note to editors:

The Industrial & Commercial Energy Association, ICOM, is a member organisation working to engage in all aspects of energy related business activities, working closely with government, non-governmental offices, research establishments and industry trade associations towards a greener future. ICOM is a division of the Energy and Utilities Alliance (EUA).