

**Press Release**

**14th December 2016**

**HPA announces support for new RHI scheme reforms**

The Heat Pump Association (HPA) broadly welcomes the release today (14th December) of the Government’s intended reforms to the Renewable Heat Incentive (RHI) scheme in Spring 2017.

Mike Nankivell, President of the HPA, said: “Considering there was a genuine risk to the continuance of the RHI scheme due to Brexit, Government changes and the state of the economy, this has to be seen as a largely positive outcome.

“We are pleased to see that Mandatory Heat Metering will not be introduced and feel the three papers we presented to DECC/BEIS outlining reasons why this should not be introduced and what could replace the proposal had a very large impact. The tariff increase for ASHP (10.02 p/kwh) will help to counterbalance the new total gross heat demand limit of 20,000, with the result that any application under 26,700 kWh, from Spring onward, will be better off under the new scheme. The larger heat demand limit of 30,000kWh for GSHP will assist to offset the more modest rise in the tariff to 19.55p/kWh.”

Mr Nankivell continued: “We are pleased to see that our hard work over two years, discussing the possibility of Tariff Guarantees for larger projects in the Non-Domestic RHI scheme has been rewarded. We also welcome the limit for GSHP set at above 100kWt since we were at the forefront of advocating that the GSHP threshold should be reduced from the 500kW and above limit. Importantly, the HPA also worked closely with other Trade Associations over Summer/Autumn 2016 to lobby BEIS in relation to the RHI reforms.”

Mike Nankivell added: “In her speech announcing the reforms, the Minister for Energy, Baroness Neville-Rolfe, made a number of supportive comments regarding heat pumps, for example, “*Certainly the UK, where winter temperatures are mild by the standards of most northern latitudes, seems well placed to make use of the (heat pump) technology. Heat pumps can also improve people’s quality of life. Compared with an oil boiler they are better for air quality and are more convenient, with no need for fuel deliveries*.”

Mr Nankivell concluded: “Such observations can only strengthen our case for increasing renewable heating solutions through the application of heat pumps.”

Details of the RHI reforms can be found on the HPA website: [www.heatpumps.org](http://www.heatpumps.org)

**Note to Editors**

The Renewable Heat Incentive was first announced on 15th July 2009 and introduced for non-domestic installations in November 2011, with domestic installations following on 9th April 2014.

This unique scheme was designed to support the growth in renewable heat technologies and to assist in meeting 2020 EU targets for the UK to produce 20% of its heat from renewable sources.

Despite proving largely successful, the desire to constantly learn from and make improvements to the scheme suggested that further reforms would be beneficial and the Government department responsible, DECC (now BEIS - Department for Business Energy and Industrial Strategy), launched a consultation entitled RHI: A Reformed & Refocused Scheme in February 2016.

The Heat Pump Association (HPA) is the UK’s leading authority on the use and benefits of heat pump technology and includes many of the country’s leading manufacturers of heat pumps, components and associated equipment.

The Association influences legislation and other matters that affect the interests of either the industry in general, or its members in particular. In addition, the HPA coordinates technical and market research into areas of mutual interest, identified by members with the aim of improving market opportunities for members, at home and abroad.

The HPA is part of FETA – the Federation of Environmental Trade Associations – a UK body representing the interests of over 400 manufacturers, suppliers, installers and contractors within heating, ventilating, building controls, refrigeration and air conditioning.

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