

# Transition Buxton Economic Resilience Study 2014

## Appendix 4: Retrofit & Renewable Incentives

### Grants & support, England

There are a number of schemes available to help with the cost of fitting energy-saving improvements in your home.

There is also a scheme to support the development of collective micro-generation projects at a neighbourhood level. The scheme is known as the Community Energy Grants & Loans Fund offering up to £20,000 grant for viability studies and then up to £130,000 loan to deliver the project. For more information see [www.gov.uk/urban-community-energy-fund](http://www.gov.uk/urban-community-energy-fund)

Find out more below.

#### **Green Deal**

The Green Deal is a government-backed scheme to help you make cost-effective energy saving improvements. Instead of paying for the full cost of the improvements up front, you pay over time through a charge added to your electricity bill. Under the Green Deal you could get some of these improvements without having to pay all the cost upfront:

##### **Boilers and insulation**

- [A new Boiler](#) (high efficiency or oil condensing boiler)
- [Cavity wall insulation](#)
- [Solid Wall insulation](#)
- [Draught proofing](#)
- [Loft or roof insulation](#)
- [Under-floor insulation](#)

##### **Heating**

- Better heating controls (eg room thermostats)

##### **Windows and doors**

- Double glazing (or secondary glazing for listed properties)

If your home is well insulated you could also qualify for money towards a [renewable heating system](#) and get paid for [generating your own electricity](#).

##### **ECO (Energy Company Obligation)**

ECO provides funding from the big six energy suppliers to support energy improvements for people on certain benefits, for those in solid wall properties and for households in the poorest parts of the country.

## **Feed-in Tariffs (FITs): get money for generating your own electricity**

FITs can provide on-going financial support for people generating electricity from renewable sources such as solar PV and wind. If you generate your own electricity (eg with solar panels or a wind turbine) your energy supplier might pay you money. This is called a 'Feed-in Tariff' (FIT). The Feed in tariffs have done more than anything else to accelerate the installation of renewable energy capacity in Europe.

### **How the FIT scheme works**

You'll get a set amount for each unit (kilowatt hour or kWh) of electricity you generate. The rates vary depending on:

- the size of your system
- what technology you install
- when your technology was installed
- who put the technology in place - you need to use a certified installer

Contact installer companies or an electricity supplier for more information. You can receive payments from your current energy supplier, or you can choose a different one from the [list of registered suppliers](#).

### **The export tariff - selling surplus energy**

As well as the generation tariff, you can also sell any extra units you don't use back to your electricity supplier. This is called an 'export tariff'.

You'll get 4.5p per unit of electricity:

- for solar panels where you applied for FIT on or after 1 August 2012
- for other technologies where you applied for FIT on or after 1 December 2012

If you applied for FIT before these dates you'll continue to get 3.2p for each unit of electricity.

### **How much you could get?**

Use the Energy Saving Trust calculators to estimate how much you could earn using the FIT scheme and selling unused energy back. Use the:

- [solar energy calculator](#) if you want to install solar panels
- or the [cashback calculator](#) if you're considering installing wind turbines, hydroelectricity or micro combined heat and power systems

## Local authorities

Some local authorities provide energy-saving grants or other offers for local residents to install certain energy efficiency measures in their home. The High Peak Borough Council website says that: “*You may be able to obtain assistance towards works involving energy efficiency, such as insulation and central heating installation. The availability of assistance for such works can be discussed with the Energy Saving Trust Advice Centre on 0800 512 or you can view the [Energy Saving Trust website](#)*” The Derbyshire County Council website offers some support and advice for business waste recycling but our search did not reveal any schemes for improving the energy efficiency of properties or for local energy generation.

## Renewable Heat Incentive (RHI Scheme)

The RHI is a fixed payment for the renewable heat you generate yourself. It is very similar to the Feed In Tariffs, a comparable scheme for electricity which went live in April 2010. RHI Phase 1 opened for applications in November 2011. It covers commercial and community installations and **pays a generation tariff per kWh over a 20 year period**. It aims to give a 12% return on capital and is also indexed linked. The heat produced must be measured by a meter. Phase 1 is for commercial residents only.

The tariffs set for this phase are:

- Small Biomass (less than 200kWth) Tier 1 - 7.9p/kWh, Tier 2 - 2.2p/kWh
- Medium Biomass (200kWth < 1000kWth) Tier 1 - 4.9p/kWh, Tier 2 - 2.2p/kWh
- Large Biomass (1MWth+) Tier 1 - 1p/kWh

The biomass tariffs are tiered to avoid any incentive to generators to generate excess or wasteful heat to maximise their RHI payments. It is set at a 'reasonable minimum level of use it would expect from a renewable heat installation providing space heating', which has been based on the equivalent of running the installation at full capacity for 15% of the year. So, each year you will receive the higher tier 1 tariff for the first 1,314 peak load hours, and the lower tariff after that.

While the Renewable Heat Incentive is similar to the Feed in Tariff, there are some clear cut differences, in particular:

- It will be paid by the Treasury and not by energy users.
- There is no 'National Grid' for heat therefore importing and exporting is irrelevant.
- It will be introduced in separate phases, with residential schemes not eligible until Phase 2.

### There are 3 steps to the RHI:

1. You install in your property your renewable heat system such as solar thermal, heat pumps or a biomass boiler.
2. You then measure how much heat your renewable energy systems produce.
3. You get a fixed amount based on that output, the type of technology and the size of the system.

## **Who is RHI for?**

Broadly speaking the Renewable Heat Incentive is for everyone, including households, landlords, businesses, farmers, schools, hospitals, care homes and many more. The RHI can even be used by entire communities, coming together to invest in a renewable scheme from which they will use the heat and share the income.

However residential systems are not eligible for support until Phase 2.

(See DECC website - [Department of Energy & Climate Change](#))

## **Duration and Variation**

The tariff levels are fixed for 20 years from the registration date and are adjusted for inflation. Once you start at a given tariff, it is guaranteed for the full 20 year period and index linked.

## **More information**

### **For free and impartial advice contact the Energy Saving Advice Service**

Call 0300 123 1234 (you pay the price of a national rate call) or email [energy-advice@est.org.uk](mailto:energy-advice@est.org.uk). The service is provided by the Energy Saving Trust on behalf of the Department of Energy and Climate Change