

## Dave Green Update to Lightfoot 6th July 2016

- 1, DECC had their fingers badly burnt over the Green Deal, ECO etc and aren't likely to try getting involved in domestic retrofit again in the near future apart from carrying on ECO for fuel poverty, though;
  - The Bonfield review into the Green Deal is expected soon,
  - DECC have expressed interest in zero and low interest loan schemes as currently operated in Scotland and Wales.

One positive statement from the seminar I attend in April was that local authorities and community groups are considered as vital for any future schemes.

- 2, ECO money is available for those on benefit but is set at a relatively low amount and is mostly being used to help subsidise estate improvements rather than work on individual houses.
- 3, The Minimum energy requirement for rented properties was supposed to start in April 2018. However this was based on the green deal (so that landlords wouldn't have to pay for the improvements, the requirement was never 'you can't rent out F and G rated properties' requirement but 'if you have F and G rated properties you have to carry out any <u>fundable</u> measures that can bring the property to an E rating') which is no longer available. DECC have announced they will carry out a review/consultation on the requirement this autumn.
- 4, The Feed In Tariff for PV is still available but is now so low (4.39p/kWh generated plus 2.4p/kWh generated export) that installation only makes financial sense where very high levels of direct usage of the electricity generated can be guaranteed, i.e. offices, factories, not domestic.
- 5, The Renewable Heat Incentive for biomass boilers, heat pumps and solar thermal is still available though the rates paid are starting to fall. A green deal report is no longer required for the domestic RHI but you still need an EPC that doesn't have recommendations for loft top-up or cavity fill, or a chartered surveyor's letter to show these recommendations cannot be carried out. From April 2017 there will be a cap on the heat demand per property the RHI will be paid out on of 25,000kWh/annum. So any larger properties planning an RHI install should get it commissioned before April 2017.
- RHI Rates are currently biomass 4.68p/kWh, Air Source Heat Pump 7.5p, Ground Source Heat Pump 19.33p, Solar Thermal 19.74p, note that for heat pumps the rate is only paid on the renewable element of the heat demand, i.e. 65-75%.

Link to National Audit Office audit report on green Deal and Eco https://www.nao.org.uk/report/green-deal-and-energy-company-obligation

Full Eco consultation paper is sent as a separate PDF to this document

Summary can be found here <a href="http://happyenergy.co.uk/eco-consultation-summary">http://happyenergy.co.uk/eco-consultation-summary</a>

Ps 6, Shrewsbury Hydro now has all permissions in place and a prospectus is being written. The preaccreditation for the feed in tariff runs out in April 2018 so the scheme needs to be built in 2017.. so we need to raise £3.25m by the end of 2016.. I will forward copies of the prospectus round as soon as it's available