



Consultation: reforms to the existing Domestic and Non-Domestic Renewable Heat Incentive Schemes

Submission from CIBSE

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1. The Chartered Institution of Building Services Engineers (CIBSE)

- 1.1 CIBSE is the primary professional body and learned society for those who design, install, operate and maintain the energy using systems, both mechanical and electrical, which are used in buildings. Our members therefore have a pervasive involvement in the use of energy in buildings in the UK with a key contribution to sustainable development. Our focus is on adopting a co-ordinated approach at all stages of the life cycle of buildings, including conception, briefing, design, procurement, construction, operation, maintenance and ultimate disposal.
- 1.2 CIBSE is one of the leading global professional organisations for building performance related knowledge. The Institution and its members are the primary source of professional guidance for the building services sector on the design, installation and maintenance of energy efficient building services systems to deliver healthy, comfortable and effective building performance.

2. General comments on proposed RHI reforms

- 2.1 Achieving a subsidy-free existence for renewable and low carbon heating technologies in the UK is a sensible long term market objective. The key challenge is enabling a smooth transition from the current situation to the desired subsidy free scenario, providing adequate but diminishing support and maintaining a degree of predictability around that support to enable businesses to plan their operations, training and skills development and business financing appropriately.
- 2.2 Some of the current proposals for the Renewable Heat Incentive risk undermining growth in the sector and eroding value from already committed taxpayer support. This includes the removal of solar thermal systems from both domestic and non-domestic RHI schemes, and the de-prioritisation of biomass heating.
- 2.3 The *Investor confidence in the UK energy sector* inquiry by the Energy and Climate Change Committee has already highlighted that policy inconsistency and contradictory approaches have sent mixed messages to the investment community about the direction of travel with regards to energy policy. The lack of a long-term vision has made it more difficult for investment decisions to be made about renewable and low carbon heating projects.

- 2.4 Significant public investment has already been made in low carbon heating; people have been trained, a support infrastructure created and public confidence gained. Some of the proposed reforms risk damaging all of this, losing valuable skills and reducing the UK's capacity to meet long term energy security and carbon reduction goals.
- 2.5 An area which requires more attention is that of quality, regulation and standards. For example, the biomass heat industry in the UK is experiencing issues around the appropriateness of designs and quality of installations which has been documented in several surveys and reviews over the past 10 years. Of particular concern is the fact that system efficiency is currently not regulated, and the primary support mechanism for the sector, the RHI, is not tied to any quality standards, which has had negative consequences and poses a considerable reputational risk to the sector.
- 2.6 Setting minimum (and perhaps best practice) standards for renewable and low carbon heating will provide greater confidence for specifiers and clients. This would drive up the quality of installations, increase efficiencies and reliability for consumers, reduce emissions, and deliver better value for government. The Microgeneration Certification Scheme only covers heat generating technologies with a capacity of up to 45kW.