



**Briefing for:** REA Staff and Membership

**Purpose:** Notes from REA WHF March Member Meeting

**Date:** 23 March 2023

### 1. Introduction and welcome

- REA staff outlined purpose of the session and agenda overview

### 2. REA Policy Update - meter recalibration

- Debrief on REA advocacy work on the RHI meter recalibration issue.
- REA wrote to minister, securing meetings with senior officials in Ofgem and DESNZ (previously BEIS)
- REA set out a series of options for alternative interpretations of the legislations, or to amend the legislation
- REA suggestions were received well by Ofgem who agreed to ongoing meetings and the establishment of a technical working group to discuss this further.
- REA asked for names to join this working group
- In discussion, it was stressed that the market cost could be £100m+ just on heat meter changes/calibration, so it is not a small issue.
- Current lead times for Kamstrup meters is 3-6 months.
- One member's experience is that customers are fairly pragmatic about the cost to replace the heat meters.
  - Their main issue is that the RHI team does not have enough capability to handle the volume of RHI application changes.
  - They have got RHI heat meter notification changes submitted over 4 months ago and they have not been reviewed by the RHI team yet.
  - This means that customers are not getting their quarterly RHI payments, as they cannot submit meter readings for the new meters until the RHI team has approved the updated application.

Action: Members inform REA if they wish to be on the working group. REA to establish a meeting with Ofgem.

### 3. NDRHI Closure: What you Need to Know

- Ofgem outlined key issues members must resolve to ensure their NDRHI is fully accredited by the scheme's closure.
- Deadline to submit an application is 31st March.
- Installations must be providing heat to at least one eligible heat use
- Biomass heat installations must provide emissions and air quality certificates
- Plant must be new at time of installation
- Evidence of planning permission had been a common issue preventing accreditation

- There are some situations where application may be revoked, particularly if material change in circumstances or material change in plant/technology.
  - Plant must be installed where it was supposed to be installed, with the correct capacity declared
- Sites could received pre-accreditation or site audit
- Applicants with any issues need to contact DESNZ directly at the rhi@beis.gov.uk email

#### **4. BSL Fuel Quality Suspension**

- DENZ outlined minded actions ahead of the end of the 12 month BSL fuel quality suspension.
- UK imports approximately 40% of pellets from Russia, so sanctions had large impact on prices
- Current intention is that the Suspension will be lifted
- Industry should be aware and ready for the re-implementation of the fuel quality standards.

#### **5. Biomass Strategy Update**

- REA staff brief Wood Heat Forum members on the progress of the biomass strategy, and what we expect to be in it.
- Biomass strategy expected around May.
- REA highlighted expectations that both the new priority use framework and a focus on sustainability will be published as part of the strategy.

#### **6. Envirocrops**

- The Envirocrops project presented on their energy crop decision support web app for biomass crops, as well as a STEM game to engage and educate school-age children
- Part of BEIS supported biomass innovation projects
- App can be much more agile than feasibility study
- App has also developed a game for children interested in bio energy crops
- More information: <https://envirocrops.com/>

#### **7. BSL Fuel Quality Implementation Review**

- Update on the BSL Fuel Quality Implementation Review the REA is conducting.

#### **8. Next Steps and Summary of Key Points**

- REA staff summarised key points from members