

SSRH and RESS



Support Scheme for Renewable Heat (SSRH)

- Government funded initiative designed to increase the level of renewable energy in the heat sector.
- Open to commercial, industrial, agricultural, district heating, public sector and other non-domestic heat users not covered by the ETS.
- Swimming pools, hotels, colleges, factories etc
- Bridge the gap between the installation and operating costs of <u>renewable</u> <u>heating systems</u> and the <u>conventional fossil fuel alternatives</u>
- Incentivise the development and supply of renewable heat
- The SEAI administered scheme will support
 - An installation grant (Open now)
 - On-going operational support (Open Early 2019*)

1. SSRH Installation Grant (Open now!)

A grant to support investment using the following technologies:

- Air source heat pumps
- Ground source heat pumps
- Water source heat pumps

Who can apply for the installation grant?

• Commercial, industrial, agricultural, district heating or other nondomestic heat users not in the Emission Trading System sector.

Grant amount available

• The installation grant provides funding of up to 30% of eligible costs, to successful applicants.

1. SSRH Installation Grant (Open now!)

How to apply?

The application process consists of following steps:

- 1. Check if you're eligible Refer to the Terms and Conditions of the SSRH
- 2. **Collect all the required documentation** and information. Refer to the Eligibility Guidelines for more information.
- 3. **Complete the online application form**. You may choose to consult an expert to help with your application.
- 4. **Download a copy of your application**. This will be available to you in the confirmation page after you successfully submit the online form.
- 5. **Check your email for next steps**. Please follow the instructions in the email in order to submit all the required supporting information and documentation. This is essential to progress your application.

1. SSRH Installation Grant (Open now!)

Eligibility for the scheme

- Applicants must demonstrate that Buildings and heat using processes must adhere to verified energy efficiency criteria;
- Heat generating technologies and project installations must comply with Building Regulations, Construction Products Regulations, EN Standards, efficiency, technology standards and air quality standards in relation to emissions;
- Designers and installers shall be competent to carry out works; and
- Recipients of payments must be subject to tax clearance procedures.

2. On-going operational support (Open Early 2019*)

Ongoing Operational Support / The Tariff

The Scheme will also offer ongoing operational support (a tariff) based on useable heat output in renewable heating systems in new installations or installations that currently use a fossil fuel heating system and convert to using the following technologies:

- Biomass boiler
- Biomass High Efficiency CHP heating systems;
- Biogas (Anaerobic Digestion) boiler or biogas HE CHP heating systems.

The Tariff will be made available to successful applicants for a period of up to 15 years.

2. On-going operational support (Open Early 2019*)

The on-going support consists of a multi-annual payment on the basis of prescribed tariffs. The maximum tariffs paid will be:

- 5.66 cents per kilowatt hour of energy produced from biomass heating systems and
- 2.95 cents per kilowatt hour of energy produced from anaerobic digestion heating systems

The tariffs paid will reduce with increasing output reflecting the economy of scale associated with larger systems. <u>SEAI are developing the terms and conditions for the scheme and have published a working draft</u>. The table below details the tariffs for the relevant technologies:

2. On-going operational support (Open Early 2019*)

Tier	Lower Limit (MWh/yr)	Upper Limit (MWh/yr)	Biomass Heating Systems Tariff (c/kWh)	Anaerobic Digestion Heating Systems (c/kWh)
1	0	300	5.66	2.95
2	300	1,000	3.02	2.95
3	1,000	2,400	0.50	0.50
4	2,400	10,000	0.50	0.00
5	10,000	50,000	0.37	0.00
6	50,000	N/A	0.00	0.00

Background

- The 2009 EU Renewable Energy Directive (RED1) set Ireland a legally binding target of meeting 16% of our energy requirements from renewable sources by 2020.
- Ireland chose to target 40% of electricity demand (RES-E), 12% of heat (RES-H) and 10% of transport (RES-T) from renewable sources of energy.
 By end 2016 the above figures were 9.5% of energy requirement (27% of electricity, 7% of heat and 5% of transport)
- Recast Renewable Energy Directive (RED2) agreed new EU-wide binding renewable energy target of 32% out to 2030 (review clause for upward revision in 2023)
- Government now seeking EU State Aid approval to support a RES-E ambition of up to 55% RES-E or circa 11,000-12,000 GW/hrs.

- Described as a movement towards greater public and citizen engagement in relation to energy policy, the RESS is designed to incentivise sufficient RES-E generation to meet this target as well as ensure security of supply, diversified renewables mix and increased community participation in projects.
- The RESS design marks a shift from guaranteed fixed prices for renewable generators (REFIT) to a more market-oriented mechanism (auctions) where the cost of support will be determined by competitive bidding between renewable generators.
- A RESS <u>Auction Design and Implementation Working Group</u> has been established and consists of DCCAE, EirGrid and the CRU. The purpose of the working group will be to establish roles and responsibilities for delivery of the RESS auction, initially to oversee implementation of the first auction detailed design

Community Participation:

The RESS will be characterised by increased community participation in, and ownership of, renewable electricity projects. Community benefit and community participation will lead to a more socially acceptable, diverse (and more cost effective) renewable electricity mix. Community participation makes economic sense.

- Financial support for community-led projects across early phases of project development including feasibility and development studies (grants, legal and technical assistance) and trusted advisors and intermediaries.
- Mandatory Community Benefit Fund and Register standardised across the sector. It is proposed that this contribution is set at €2/MWh for all RES-E generation produced and seeking support via RESS auctions.
- To qualify for RESS auctions, projects will have to meet community investment criteria. It is proposed
 that projects will have to facilitate the registration of interest in investing by individuals prior to
 participating in RESS auctions. If successful in the auctions, these individuals will then have the
 opportunity to realise this investment option.

Community Participation:

- It is proposed that priority investment opportunities will be given to those living (within 5km to 10km). Projects looking to enter RESS auctions will have to establish project websites where citizens can express an interest in investing. Those living within 5km will have first refusal.
- There will be no minimum level of community investment required, and no penalties for projects that fail to attract community investment, provided the offerings have been made in a fair and transparent manner.
- Separate 'community' category in the RESS auction. It is proposed that this ringfenced capacity would be limited to up to 10% of the second auction (circa 300 GW/hrs).
- DCCAE will work with the Commission for Regulation of Utilities (CRU) to identify measures to support Community-led projects through the grid connection process.
- DCCAE will work with industry representative groups and community reps e.g. farm organisations,
 Irish Rural Link etc. to ensure the detailed model developed works for Irish communities and project developers.