

Non-Domestic Renewable Heat Incentive (RHI)

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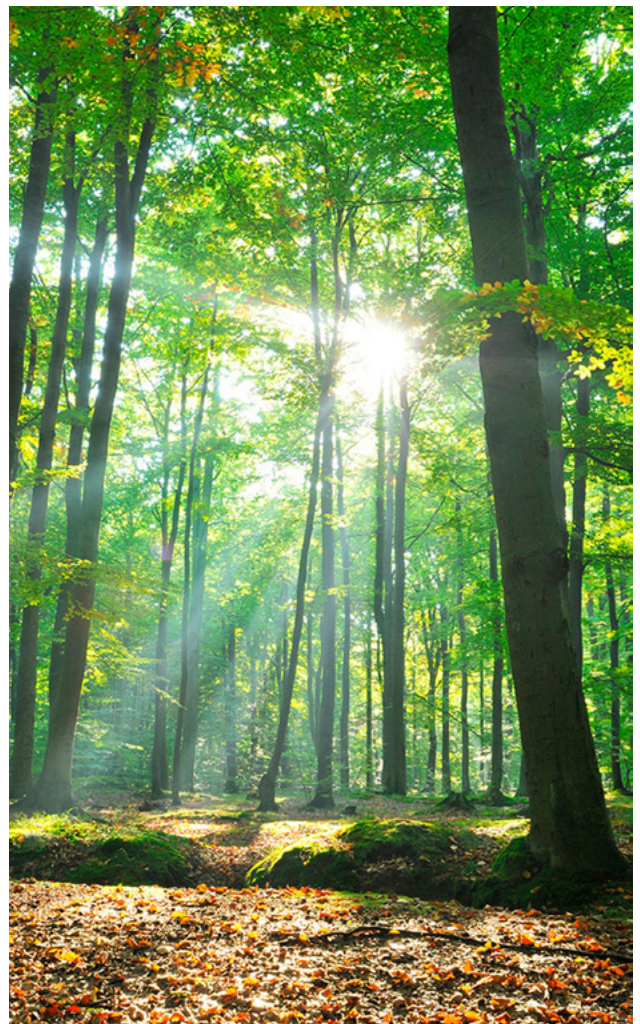
Non-Domestic

Easy guide to Sustainability

Information for applicants and
participants using biomass or biogas,
or producing biomethane

Introduction

From 5 October 2015 the fuel you use must meet RHI sustainability requirements, consisting of a greenhouse gas (GHG) emissions limit and specific land criteria. You must meet these requirements to continue to receive your payments. These new requirements do not change any other existing ongoing obligations in relation to biomass fuels, such as emissions requirements or keeping fuel records. This guidance only provides a brief introduction to these RHI sustainability requirements and should be read in conjunction with [Volumes 1 and 2](#) and, for self-reporters, the [Sustainability Self-Reporting Guidance](#) where more details are provided.



Biomass Suppliers List (BSL)

If you buy woody biomass

If you buy woody biomass to use in your biomass boiler, the easiest way for you to ensure you are meeting the requirements is to source your fuel from a supplier on the [Biomass Suppliers List \(BSL\)](#). Suppliers whose fuels do not exceed the GHG limit and meet the land criteria are registered on this list, and purchasing an authorised fuel from them gives you assurance that your fuel complies with RHI sustainability requirements. It is open to all traders, producers and self-suppliers of biomass which is wood or wholly derived from wood, including waste wood.

Check with your existing supplier that they are registered on the BSL, and that the particular fuel you are purchasing has a BSL authorisation number. If your current supplier doesn't want to register on the list, you can search the BSL website [for suppliers](#) near you by postcode. Please note that it is important to check that the specific fuel you are purchasing has a BSL authorisation number, as sellers may also sell other fuel which is not authorised on the BSL and may therefore not meet the RHI sustainability requirements.



Sustainable Fuel Register (SFR)

If you buy non-woody biomass

If you buy non-woody biomass to use in your biomass boiler, the easiest way for you to ensure you are meeting the requirements is to source your fuel from a supplier on the Sustainable Fuel Register (SFR), which works in much the same way as the BSL. Check with your existing supplier that they are registered on the SFR, and that the fuel you are buying has an SFR authorisation number.

What next?

You need to keep a record of your invoices and receipts and ensure they include a BSL or SFR authorisation number to demonstrate your compliance with the sustainability requirements. This also forms part of your obligation to keep fuel records throughout your participation on the scheme. The BSL authorisation number will have the format BSLXXXXXXX-XXXX, where each 'X' is a number. For the SFR the first three letters are SFR. From 5 October 2015, you will need to report the authorisation number(s) for the fuel(s) you have used in each quarter, along with your heat meter readings. You should check your fuel was registered on the relevant list at the time **you received it**.

For more information about the BSL and SFR see chapter 4 of the Guidance of [Volume 2](#).

If you source your own woody biomass

If you wish to use fuel you have sourced yourself (rather than purchased), you may be eligible to register on the BSL as a self-supplier. This is as long as:

- your installation capacity is under 1MWth; and
- you source solid biomass from a permitted location (which means somewhere you have a right to harvest the solid biomass, whether by virtue of ownership, tenancy or otherwise; and is no more than 50 miles from the plant where it is used); or
- you source waste wood as fuel directly from the place where it first became waste to use in your installation (no distance limit).

To show you meet the RHI sustainability requirements as a self-supplier, you must [register on the BSL as a self-supplier \(or in some cases as a producer-trader\)](#).

All you then need to do to meet Ofgem's requirements is to keep a note of your BSL authorisation number (which will be assigned to you once you are registered on the list) and keep a record of the fuel(s) you use. Advice on the format is available [here](#). From 5 October 2015, we will ask you to report the BSL authorisation number in each of your quarterly

periodic data submissions, along with your heat meter readings. Once you have registered on the BSL as a self-supplier, we would consider that you are using sustainable fuel from the date of that registration. This includes the use of any fuel that was harvested or stored before registration began.

If you source your own non-woody biomass

You will need to register on the SFR as either a producer, trader, or end user. A producer is someone who grows or harvests crops or produces fuels for use in RHI accredited systems. A trader is someone who purchases and sells fuels for use in RHI accredited systems, and an end user is someone who purchases fuels for use in their own RHI accredited system. For more information on whether you should register as a producer, trader or end user, please see the [SFR website](#).



What about if I purchase additional raw material?

If you 'self-supply' some wood but also purchase additional raw material for use in your boiler you may need to register as a producer-trader on the BSL. The table below sets out guidance for determining self-supplier or producer-trader status:

Self - Supplier	Producer - Trader
Raw materials Criteria	
<ul style="list-style-type: none"> ▪ Sources all wood from own woodland ▪ Sources wood within 50 miles of the boiler in which it is burnt 	<ul style="list-style-type: none"> ▪ Purchases in a raw material (ie timber) and processes it ▪ Can use wood from own woodland but is purchasing some in too
Fuel Criteria	
<ul style="list-style-type: none"> ▪ Does not sell any of the wood fuel to third party ▪ Has option to purchase fuel from BSL authorised supplier 	<ul style="list-style-type: none"> ▪ Sells wood fuel on to third party (optional and not a requirement) ▪ Has option to purchase fuel from BSL authorised supplier

Use the ['suppliers' portal](#) for further guidance and to register.

If you have any problems with your application, contact the BSL Helpdesk at bslhelpdesk@gemserv.com.

Self-reporting (not relevant if all of your fuel is BSL authorised)

You will be required to self-report against the GHG and land criteria for any fuels you use which are not sourced from the BSL. This will include all of those using non-woody biomass, as well as those using biogas or producing biomethane for injection.

How to get started

Fill out a [Fuel Measurement and Sampling \(FMS\) questionnaire](#) to agree your on-site processes with us and classify your fuel into consignments based on the sustainability characteristics of the material. This should be submitted as part of your RHI application form. This will allow you to demonstrate how you plan to comply with the requirements. The following characteristics should be taken into account when classifying your fuel into consignments:

- Country of origin
- Classification of the fuel (waste, residue, product, co-product)
- Feedstock type
- Biomass form (solid biomass only)
- Compliance with land criteria
- Compliance with GHG criteria

To appropriately classify your fuel material as either a product, co-product, residue or a waste please refer to Appendix 2 of the [Sustainability Self-Reporting Guidance](#) which contains some common fuel classifications.

Once your consignments are agreed with Ofgem you can add these consignments to the register. You will then report against these consignments when you submit your heat meter readings each quarter. You will be required to make declarations that your fuel consignments either do or do not meet the GHG emissions and land criteria for that quarter, and provide lifecycle GHG emission figures.

What exactly you have to report to Ofgem depends on the fuel classification (e.g. product, residue etc.) of each of your consignments. For example, for fuel classified as an agricultural residue the land criteria needs to be met and the GHG emissions generated during and from the process of collection are required to be calculated. Fuel which is waste or wholly derived from waste is deemed to meet the sustainability requirements but you must be able to demonstrate that your fuel meets the definition of waste, as set out in the Regulations¹. Please refer to Table 2 in Chapter 4 of the [Sustainability Self-Reporting Guidance](#) for a full list of what you will need to report based on your fuel classification.

¹“waste” has the meaning given in Article 3(1) of Directive 2008/98/EC of the European Parliament and of the Council on waste(5) and includes excreta produced by animals

Demonstrating that your fuel consignments meet the GHG requirements

'Default value method'

Participants needing to self-report against the GHG emissions limit are recommended to take particular note of the possibility of using the 'default value' method. This may reduce the administrative burden in reporting lifecycle GHG emissions where it is applicable. It involves using a default carbon intensity of the fuel(s) for the purpose of reporting GHG emissions to Ofgem. Only specific fuels have default values associated with them. Please see Chapter 5 and Appendix 3 in the [Sustainability Self-Reporting Guidance](#). This option is not available for biomethane producers.



The 'actual value method'

If the 'default value' method cannot be applied to your fuel type then the 'actual value' method must be used. This method involves calculating the lifecycle GHG emissions of a consignment of fuel individually. The Carbon Calculator is available to help you with this. You can use the 'typical values' in the Carbon Calculator (providing you can demonstrate these are applicable to your installation and fuel). You will have to use values tailored to your fuel where 'typical values' are not applicable. These values will need to be evidence-based. Further information about the actual value method and the Carbon Calculator can be found in Chapter 5 in the [Sustainability Self-Reporting Guidance](#). The Biomass and Biogas Carbon Calculator and associated Guidance can be found on our [website](#).



Demonstrating that your fuel consignments meet the land criteria

Depending on whether your fuel is woody biomass, non-woody biomass or waste will determine how you should demonstrate that your fuel consignments meet the land criteria. Please refer to Table 2 in chapter 4 of the [Sustainability Self-Reporting Guidance](#) for a full list of which fuel classifications need to report against the land criteria.

Woody biomass fuel

The Woodfuel Advice Note² (published by DECC) provides accessible advice and guidance on the requirements and how to demonstrate compliance. Applicants/participants should refer to this document to become more familiar with the requirements. There are two routes to demonstrate compliance outlined in the Woodfuel Advice Note, which reflect what Ofgem would expect to be used:

- **Category A evidence:** Through the use of Forest Stewardship Council (FSC) certificate scheme or the Programme for the Endorsement of Forest Certification (PEFC) certification scheme.
- **Category B evidence:** Through the collection of bespoke evidence that demonstrates compliance with the criteria. The 'risk-based regional approach' can be used with this method.

Both routes of demonstrating compliance are described in more detail in the [Woodfuel Advice Note](#) and in the [Sustainability Self-Reporting Guidance](#).

Non-woody biomass fuel

For biomass that is not wood or derived from wood, the participant must meet the land criteria outlined in Part 3 of Schedule 2B. Please see Chapter 6 of the [Sustainability Self-Reporting Guidance](#) for more information on how installations using non-woody biomass can demonstrate compliance with the land criteria.

Waste

Solid biomass which is waste or wholly derived from waste is deemed to meet the sustainability requirements, as is biogas and biomethane which is made from feedstock which is waste. You must be able to demonstrate that your fuel meets the definition of waste as set out in the Regulations.

! Other important considerations

This easy guide is designed to be an overview and introduction to what you will be required to provide to Ofgem as proof that you will be able to comply with the sustainability requirements and report against them properly during each quarter. Please see Guidance Volumes 1 and 2 and the [Sustainability Self-Reporting Guidance](#) for further instruction and full guidance.

If your installation has a capacity of 1MWth or above or produces biomethane for injection then please be aware that you will have to provide Ofgem with an independent sustainability audit report annually during participation on the RHI scheme. Please see the [Sustainability Audit Guidance for Participants and Auditors](#) for further information.

Whether your installation requires an annual sustainability report to be carried out and submitted to Ofgem or not, you could still be audited by us at any time. Therefore you must keep all evidence that supports your declarations that your fuel meets the sustainability requirements. Please see Chapter 4 of the [RHI Guidance Volume 2](#) for a full list of your ongoing obligations in relation to fuels including keeping fuel records and emissions requirements, where applicable.

²<https://www.gov.uk/government/publications/woodfuel-guidance>

This Easy Guide is applicable to applicants and participants on the GB Non-Domestic scheme. If you're an applicant or participant on the Northern Ireland Non-Domestic scheme then please refer to the [Northern Ireland Renewable Heat Incentive](#).

Contact us

If you have a query or need help please contact us:

By telephone: **0300 003 2289**

The Non-Domestic RHI enquiry line is open Monday to Thursday 9am-5pm and 9am to 4.30pm on Fridays.

Note: calls may be recorded.

By email: **rhi.enquiry@ofgem.gov.uk**

Please have your RHI application reference number to hand if you are calling or put it in the subject line of your email.
