

# Renewable Heat Incentive (RHI) Effect in Reducing Carbon Emission in Aberdeen City

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## BACKGROUND

- RHI is a financial scheme to reward those who use renewable energy to heat their properties
- RHI is offered to support the mitigation of carbon emission by increasing the uptake of renewable heat technologies
- In Aberdeen, housing sector accounts for 28% of carbon emission which is mostly caused from space heating
- Carbon emission is dominated from the use of electricity and gas as heating sources
- Aberdeen has a target in reducing carbon emission by 31% and 50% by 2020 and 2030.
- The use of renewable heat technologies is one of the program promoted by ACC

## OBJECTIVES

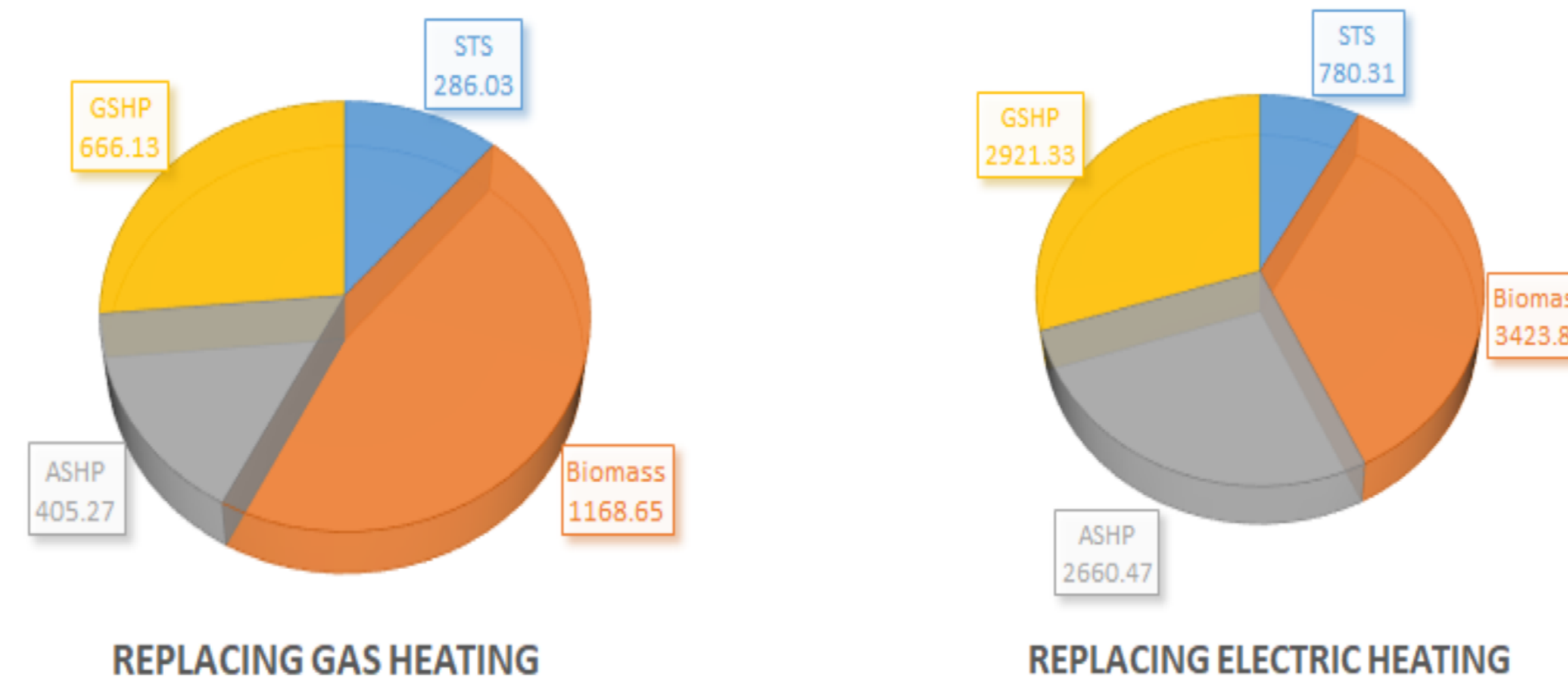
- How effective has the RHI scheme been in supporting carbon reduction from domestic sector in Aberdeen?
- What technology would be profitable for different sizes of housing in Aberdeen?

## METHODOLOGY

- Cost Benefit Analysis (CBA)
- Sensitivity Analysis

## FINDINGS

Reduction of Carbon Emission (kgCO<sub>2</sub>) using Renewable Heat Technologies



## Conventional Heating

Heating Methods	Gas	Electric
Annual Bill (£)	£ 739.06	£ 2,531.76
Annual Carbon Emission (kg)	1564	3819.2

## CONCLUSION

- Renewable heat technologies have a significant potential in Aberdeen
- For replacing gas heating, installation of renewable heat is not advisable.
- For replacing electric heating, installation of renewable heat is profitable
- For different sizes of house, ASHP and biomass are the most profitable for replacing gas and electric heating
- RHI scheme is able to generate 20% - 40% of the total benefits
- Renewable heat technologies could reduce between 9Ktonnes to 30Ktonnes carbon emission per year

NPV (£) of Renewable Heat Technologies for Different Sizes of House

