

**Christopher Osborne**

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**From:** Rutherford, Joyce <Joyce.Rutherford@dardni.gov.uk>  
**Sent:** 09 June 2010 12:04  
**To:** Christopher Osborne  
**Cc:** Rutherford, Joyce; Scott, Peter  
**Subject:** RE: [Scanned] Biomass Challenge Fund Query

Chris

Hope you are well. My sincere apologies for not responding to your enquiry sooner, but we have been extremely busy lately and I have been on leave for a week also. However to answer your question best to quote directly from the appropriate sections of the draft brochure for the fund which states:

“The majority of the energy produced by the installation must be used to carry out or directly support agricultural activities on farm. Applicants will be requested to demonstrate this by for example – providing meter readings of power consumed and/or details of the amount of fuel purchased over a given timeframe.”

“To avoid waste, any secondary products produced, which can not be used to support agricultural activities may be sold to third parties.”

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“Where a project is expected to generate revenue this revenue will be taken into account in the calculation of eligible expenditure. The eligible expenditure should not exceed the current value of the investment cost less the current value of the net revenue from the investment over the specific period for investments in infrastructure where it is possible to objectively estimate the revenues in advance.”

“Where it is not possible to estimate the revenue in advance the revenue generated within 5 years of the completion of the operation must be deducted from the expenditure declared to the Commission.”

It is the applicant’s decision to identify the energy output of the kit installed and whether it will generate heat only or heat and electricity. The general line is that the majority of energy produced should be used on farm to aid agricultural production.

I hope this answers your query.

Best Regards

Joyce

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**From:** Christopher Osborne [mailto:christopher@ufuhq.com]  
**Sent:** 17 May 2010 10:13  
**To:** Rutherford, Joyce  
**Subject:** [Scanned]

Good morning Joyce,

Have you had a chance to look my query yet? The main query now concerns what % of energy can be generated on farm and what % can be put back into the grid and what the implications will be for grant funding.

Many thanks

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