

To: Paul Longstaff[Paul.Longstaff@moypark.com]
From: David Mark
Sent: Wed 1/8/2014 8:42:34 AM
Importance: Normal
Subject: RE: Notice to all Existing Growers
MAIL_RECEIVED: Wed 1/8/2014 8:42:34 AM
Notice to all Existing Growers amends 8 Jan.docx

1) I would re-emphasise at the top we are still interested in growers that want to expand as a separate section, but also it will be for a limited time – Agree thanks will do

2) On windows, based on the stock density does 30kg exceed the cash generated from 38kg. Do you need to make this more transparent. If so, why do people say they lose money – is there another question to answer – Now you are asking – Fred Maxwell has 2 houses on an off farm that have windows(HWF) and then 8 with no windows (Classic) . He is stocked at the windowed farm at 30 and 38 in the Classic – he contends he cant make money on the HWF Farm – now that may be he consistently makes less money - but never the less the very real view in the country is that 30kg makes less than 30m kg and if you go to windows you will get some or all 30 so overall less money! This is the heart of the problem getting conversions. What data do we have? Some evidence 38kg group Ballymena outperforms 30kg Ballymena but then all the best farmers in Ballymena converted to hwf and the bottom left in classic - in Dungannon it is usually 38 outperforms 30 sometimes its close other times its significant. – The only driver we have is intercrop – if HWF (30 or 38) are on 7.2 crops per year and Classic (38) are on 6.5 crops per year then there is a clear commercial driver for people to change. Need to get this to happen

3) Biomass – do you need to split out the rhi and cost savings. Do you want to say rhi will not be available for ever to encourage conversion. Is there not energy savings with hot water heating for the farmer? Do you need to talk about return on investment

Have beefed up the piece about RHI not guaranteed to be open for long – don't want to say to much want to keep it snappy more to wet interest can expand ROI and other benefits if they bite!

4) PV – what does a 25kw PV deliver for the farmer ? what is in it for the farmer. Do you need to talk about return on investment – it could make biomass look even more attractive

Re worded to say “A 20KW installation costing £25k giving an annual payback of £5K per year directly to the grower made up of ROC payments and free daytime electricity”

A general point – has the additional AHP been factored into the budget going forward. Each individual farm/project makes sense but when we look at the total cost how does that impact costs.

Can we take this up with DG this PM – he has seen this and we are assuming the budget is within the system but yes lets just check and confirm implications of a very significant take up – which has a cash flow implication but the business case says this is a very good development for the farm estate going forward that will deliver savings

I have the original away to the design people I will send this amend but can you get back if you think we need to change – we are not printing but will send out as a PDF but want the design to be in line with the recent stuff. Type in red is the changes from original in the document attached

From: Paul Longstaff

Sent: Wednesday, January 08, 2014 6:00 AM
To: David Mark
Subject: FW: Notice to all Existing Growers

David,

Please find my comments below

- 1) I would re-emphasise at the top we are still interested in growers that want to expand as a separate section, but also it will be for a limited time
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- 3) Biomass – do you need to split out the rhi and cost savings. Do you want to say rhi will not be available for ever to encourage conversion. Is there not energy savings with hot water heating for the farmer? Do you need to talk about return on investment
- 4) PV – what does a 25kw PV deliver for the farmer? what is in it for the farmer. Do you need to talk about return on investment – it could make biomass look even more attractive

A general point – has the additional AHP been factored into the budget going forward. Each individual farm/project makes sense but when we look at the total cost how does that impact costs.

Regards

Paul

From: David Mark
Sent: 31 December 2013 14:47
To: Paul Longstaff
Subject: Notice to all Existing Growers

FYI – need to get this out next week - needs designed and some of the financials checked

Comments?

david