

CK	And did you ever ask for more staff to cover the non-domestic side?
JM	No because, not that I specifically recall but because the aim was to get the domestic side dealt with then you could have freed people who were doing the domestic, primarily the grade 7, and the DP, the full time DP. We would have freed them to do the non-domestic stuff.
IMc	So just going back to the capacity bit John so you come in in January, Joanne leaves April, Peter leaves May so kind of
JM	... so part time DP, Dan Stinson left, also that year
IMc	Right so how does that, that's a huge amount of change, so suddenly you being new in January, you're now the continuity 3 months later because everybody else whose kind of involved in non-domestic has gone, so who approves and who allows that to happen in terms of that degree of change and the loss of that knowledge all around at the same time? So how does that happen? Again, I presume someone had to approve transfers etc.
JM	The part time DP left on a civil service wide voluntary early severance scheme. Joanne left, Sensitive information redacted by RHI Inquiry a career break because she... well that's what she did. Peter had, Peter got a transfer to a post, a career development post and the people above also, the person above me retired and the permanent secretary also moved.
IMc	So I presume when I look at Dan, Peter and Joanne, so someone had signed off Joanne's career break, someone had to sign off Peter's transfer and someone obviously had to approve or sign off Dan to avail of voluntary redundancy, is that fair?
JM	Yes
IMc	So it's not that any of them left, resigned and walked off they were all doing stuff within, there was some degree of control or influence could have been exercised?
JM	Not... no it's not quite, if you were saying was it an option to stop those people moving, there was maybe an option to stop Peter moving, that was not... realistically an option to stop the other people leaving, like retirees.
IMc	Sure.
JM	Well that's all very well saying you know well you could have stopped this person leaving but when there are standards of letting other people go you have to be consistent.
IMc	Ok, so then Davina was brought in, she acted up as a grade 7, she was there for maybe a couple of months, May through to June/July and then ...
CK	... so Seamus Hughes came in as DP to replace Peter and then Stuart Wightman ...
IMc	... When did he come in (Seamus Hughes), just remind me.
CK	He came in in was it May? Seamus came in at the end of June?

	working on it 24 hours a week and we developed a renewable heat premium payment scheme that was being run in house by 1,500 applications...
IM	So domestic?
JM	Yeah, no not the domestic RHI they are completely different scheme, we were running a sustainable energy messaging campaign, we were secretariat to enable heat strategy group, we were you know... so I can't swear there was a meeting or there is a minute but I wasn't told to do a review in Jan 2014 and I can see very good reasons why it wasn't done then. But whenever I left in April 2014, my expectation was that the scheme would be reviewed.
IM	And just on you leaving Joanne had you any specific handover notes, we see the handover notes that Peter seemed to have penned did you have any specific handover notes.
JM	I needed to go to career break for personal reasons. John had just arrived in the branch and I think it was probably his first week, the reasons I needed it had come to light over Christmas after Fiona left. The first week he was there I asked would he approve it and he said he ... well the day I asked for it, it was approved for the next day there was no problem with that. He asked me when I wanted it and I said as soon as possible, but I recognised it wasn't going to be a good idea for me to walk out the door so we agreed 30 th April. In the run up to me going I asked repeated times who was coming in my place and I was never told, I wasn't told where the person was. I recognised that Peter was going to be the lynchpin, he came to me and asked if he could apply for a move out and it was up to me to sign the approval for him to move and I told Peter that I couldn't do that without asking John. I went and asked John and I told John that I thought Peter was very, very important, and John told me that he ... it was not his way of operating to stand in the way of anybody who wanted to move. So Peter's application was signed off and he subsequently got that move which left a situation where I was leaving at the end of April and he was ... I'm not sure I knew when but I knew he was leaving shortly after I left. I went back to John again in the month I would say before I left and said I think there's going to be a problem and I suggested that if Peter would be allowed to act up into the post that I was leaving I thought that he might stay, and John told me that he would not allow Peter to act up into the post and that if he had other plans, but he didn't tell me what they were, and he told me that if there was, he didn't anticipate acting up but if there was to be acting up, he would be offering it round all the DP's in the branch, which didn't make much sense and so that was how Peter came to leave very shortly after I left. Peter and I were aware of what all the issues were and as I said, I can't say how relieved I am to see the handover document. As regards did I do a handover, I went to John and I told John how complex I thought the system was and that I thought it would be very useful for whoever came after me for me to have a one to one with them, and I told him that I wasn't going away until 1 st July and once he knew who was coming, if he wanted to give me a ring I would come in for a couple of days and talk that person through what the issues were.
IM	So the rest is history?
JM	Well I didn't get a phone call. I tried to find out if there is anybody there and did that by asking a colleague who told me that in June there was nobody there and on 1 st July I <small>Personal information redacted by RHI Inquiry</small>
IM	You go back Joanne to the kind of, you, yourself and Peter kind of lived and breathed this for quite a while, what did you think? So you were leaving in April and you got a sense of what were you thinking were the key things, the key challenges, the key issues that whoever came behind you and had to grasp, grapple or deal with?
JM	The key challenge at that time was workload, capacity. Because, a bit like as I said earlier, this was an evolving scheme that was growing and growing and growing, and you know every few months Dec seemed to have I don't know how many people working on it, you know, review this, consult it on this, got experts in on this, change

1 development of the non-domestic, you had been present during the course of the
2 consultations for the domestic, and a great deal of all of the information was concentrated
3 in you. Mr Mills had been there for a relatively short time, hadn't he?

4 **Mr Hutchinson:** Yes.

5 **The Chairman:** When you left?

6 **Mr Hutchinson:** Yes.

7 **The Chairman:** Mr Mills — did he ever discuss with you, as being the person who had
8 been there throughout and carried with you all of the information, did he ever discuss
9 continuity with you or whether there should be — before you went — there should be a look
10 at the various records that could be set up, such as logs, such as programmes, in an objective
11 way so that anybody who came in would at least have a chance of benefiting from the
12 amount of experience you had?

13 **Mr Hutchinson:** Eh, no.

14 **The Chairman:** I get the impression, I'm afraid, that he didn't.

15 **Mr Hutchinson:** No, not that I can recall. I think his interaction would be mostly with
16 Joanne during that period of time, yes.

17 **The Chairman:** Yes. I'm not going to ask you anything more. Thank you very much for
18 your attendance.

19 **Mr Hutchinson:** Thank you.

20 **Mr Lunny:** Thank you, Mr Hutchinson.

21 The plan for tomorrow is for Mrs Hepper to give her evidence in relation to phase 2, and
22 she, at the minute, is timetabled to give her evidence tomorrow and on Friday, and Mr
23 Scoffield will be asking her questions.

24 **The Chairman:** We'll sit tomorrow at a quarter to ten. You do appreciate that I'm not
25 sitting after one o'clock on Friday.

- Submission to Private Office 13 May – needs to be cleared no later than 22nd for Committee meeting on 29 May.

Potential need for legislative change in relation to electricity and gas certification provisions

- Draft sub with HOD – 6 May.
- Need to re-open discussions with DECC and engage DSO as necessary

PETER - RENEWABLE HEAT

RHI Phase 1

- Carbon Trust loan issue remains unresolved – Ofgem are not accrediting installations in receipt of CT loans until there is direction from DETI. Stephen Moore has been asked for his opinion on the potential options, these are;
 - Accredit like normal accreditations;
 - Accredit but record details and notify DETI (GB model); or
 - Before accreditation issue separate guidance and record potential levels of aid. The aid would be treated under “de minimis” rules.
- Data sharing issue remains unresolved – issue now focussed on the receipt and storage of sensitive information by DETI. Information management have been engaged.
- Potential need for review of tariffs (particularly for biomass less than 99kW) given advice from Ofgem re: the use of these systems. A system of tiered tariffs might be appropriate.
- Uptake under the scheme remains positive in comparison to GB figures.

RHI Phase 2

- Accountability Branch has confirmed that DFP approval is not required iro domestic scheme as it is from the same pot of money (£25m) as the original approval.
- Accountability Branch has however advised internal Casework is required given agreement at Casework at Phase 1. Casework to be arranged through Eugene Rooney. Once this is confirmed Ministerial approval will be required for the launch.
- Anticipated dates – Minister to announce scheme in June, migration of existing RHPP installations commencing July, open to new applicants Sept.
- First draft of legislation has been prepared by Arthur Cox – needs finalised once all approvals are in place. Affirmative debate to lay Regulations. This needs to be done before the launch and before recess should the launch be delayed for any reason.
- Terms and Conditions / Guidance documents for the scheme are being finalised prior to drawing up letters, application forms etc.
- Preparatory work for developing the administrative system is being taken forward with IT colleagues.

Revision 1

Energy Efficiency Branch Branch Plan 2014 – 2015

	Not Achieved
	Delayed
	On Track
	Completed
	Not Started

BP Objective	Results 4: Encourage energy efficiency across all sectors and facilitate increased levels of renewables.	
Annual Target	Detailed Activities (To Do List) / Progress	
<p>(4m) During 2014/15, manage the existing RHPP scheme and non-domestic RHI scheme.</p> <p>Stuart</p>	<p>Manage administration Agreement with Ofgem – ensure service delivered according to Agency Services Agreement and within agreed budget.</p> <p>Seamus</p>	<p>Agreement of data sharing protocols – with It branch to investigate.</p> <p>Process payments to Ofgem for RHI applications</p> <p>Monitor payments to Ofgem and profile predicted expenditure for rest of year.</p> <p>Review of current non-domestic scheme:</p> <ul style="list-style-type: none"> - Review biomass tariffs under 100kw - Consideration of tiered tariffs to prevent excessive payments
	<p>Manage RHPP Scheme</p> <p>Dan</p>	<p>Respond to telephone and written enquiries regarding the RHPP scheme.</p> <p>Process applications for RHPP scheme within XX weeks</p> <p>Make RHPP payments within XXX weeks</p> <p>Implement an effective system of assurance and control over the RHPP scheme:</p> <ul style="list-style-type: none"> - Carry out random spot checks / site visits on new boiler installations - Record / report assurance checks for audit purposes.
	<p>Scope feasibility of administering non-domestic RHI scheme inhouse</p>	<p>Identify the costs, staff resources, accommodation, IT requirements, Telephony, Ofgem compensation payment(s), etc</p> <p>Identify the benefits (resource DEL savings, synergy by administering both RHI schemes, etc)</p> <p>Develop Outline Business Case</p> <p>Make recommendations to senior management / Minister</p>
	<p>Scope opportunities to extend RHI scheme to new build properties</p>	<p>Identify the costs, staff resources, accommodation, IT requirements, Telephony, Ofgem compensation payment(s), etc</p> <p>Identify the benefits (potential number of installations, etc)</p> <p>Develop Outline Business Case</p> <p>Make recommendations to senior management / Minister</p>

Update on Renewable Heat Incentive

Background

1. The Northern Ireland Renewable Heat Incentive (RHI) is a DETI scheme that provides financial support to non-domestic renewable heat generators and producers of biomethane. The primary objective for the RHI is to increase the uptake of renewable heat to 10% by 2020 (baseline position of 1.7% in 2010).

Uptake under the non-domestic Renewable Heat Incentive

2. The first phase of the Northern Ireland Renewable Heat Incentive (RHI) was launched on 1 November 2012. This phase provides long term financial support for non-domestic properties wishing to switch from conventional heating to renewable heating solutions, such as biomass; heat pumps and solar thermal. Payments are made quarterly, for the lifetime of the installation (maximum 20 years) and are determined by the heat output of the installation and the relevant tariff for the technology installed.
3. The scheme is administered by Ofgem (the GB Utility Regulator) and as of 13 May 2014 they have received 145 applications. Of these applications 103 have been accredited. All but one of the applications are for solid biomass boilers, the other being for a ground source heat pump, and the majority have installation capacity in the 20-99 kWh range. The total capacity of the applications to date is in the order of 17.8 MW, with 11 MW accredited.
4. The GB RHI was launched a year before the NI RHI in November 2011. The current NI uptake compares favourably with the GB uptake at the same point in time on a pro-rata basis. The NI scheme is currently tracking at 7.2% of GB applications, 7.2% of accreditations and 4.1% of heat capacity, despite the NI heat market being only 3% of the UK market. This suggests that the NI RHI could experience a higher volume of applications but for smaller installations. Projecting forward it could be expected that

Phase 2 proposals

2. DETI has proposed to expand the current non-domestic scheme to include new technologies and to introduce a domestic version to cover domestic installations. These proposals were subject to public consultation between July – October 2013.
3. We have been primarily focussed on finalising the policy on the domestic RHI scheme and preparing for implementation. The scheme is subject to approval from an internal casework committee, once this approval is received I will seek your approval for launch.
4. The other elements of Phase 2, such as new technologies in the non-domestic sector and technical changes to legislation, will be addressed once the domestic scheme is agreed.

Recommendation

5. That you consider the attached paper at **Annex A** and agree to share it with the ETI Committee.

JOHN MILLS
Energy Division

cc: David Sterling
David Thomson
Paul Dolaghan
Davina McCay
Dan Sinton
Glynis Aiken
Linda McGready
Alastair Ross, MLA, APS
Neth Energy
Press Office

around 300 applications could be received by end March 2015 and 28MW of renewable heat capacity accredited in the non-domestic sector.

Uptake under the domestic Renewable Heat Premium Payment (RHPP) scheme

5. The Renewable Heat Premium Payment (RHPP) scheme was launched in May 2012 as a forerunner to a domestic RHI in NI. This scheme provides grant support to eligible domestic installations and is managed within Energy Division, DETI. As of 13 May 2014, 1720 applications have been received and Energy Division has issued offers to 1231 of these. This represents support of £2.33 million and a total investment in the sector of over £7.73 million.
6. Of the 1231 vouchers issued, 958 have made claims to date. As at 13 May 2014, 797 claims amounting to a total of £1.44m have been paid.
7. Four types of technology are supported by the RHPP; Air Source Heat Pumps, Biomass Boilers, Ground Source Heat Pumps and Solar Thermal Panels.
8. The breakdown of offers and installations by technology is given in the table below.

Technology*	Offers of Support	Installations Made
Air Source Heat Pumps	11%	10%
Biomass Boilers	50%	45%
Ground Source Heat Pumps	10%	10%
Solar Thermal Panels	29%	35%

** Different technologies have different lead in times which may account for the different technology splits between offers and installations*

9. The total renewable heat capacity of the installations supported under the RHPP is in the order of 14 MW, therefore a total of 31 MW of new renewable heat capacity has been installed in the past 24 months.

**Central Finance Group
Supply 1**

Rathgael House,
Balloo Road
BANGOR, BT19 7NA

Tel No: 028 91 277654 (Network 69054)
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Mr Iain McFarlane, (by e-mail)
Department of Enterprise, Trade and Investment
Netherleigh
Massey Avenue
BELFAST
BT4 2JP

27 April 2012

Dear Iain,

RENEWABLE HEAT INCENTIVE FOR NORTHERN IRELAND – APPROVAL

I refer to Jill Hawthorne's submission of 22 February 2012 seeking approval to the above project. DETI propose to implement a Renewable Heat Incentive (RHI) scheme in Northern Ireland for non-domestic customers; and provide a short term capital support, by way of a Renewable Heat Premium Payment (RHPP) for domestic customers in advance of the NI RHI scheme being extended to this sector. It is proposed that Ofgem are given responsibility for the administration of the NI RHI via Direct Award Contract. It is noted that the DETI Accounting Officer and the DETI Minister have approved the appointment of Ofgem to administer the NI RHI. It is further noted that HM funding of £25m is available to 2015/16 for the proposed scheme. In addition the cost of the development work is estimated at £386k. Forecasts of operating costs for the next four years are £136k, £157k, £198k and £249k, based on NI accounting for a 3% share of the workload. Ofgem has confirmed that it will only pass through actual costs to DETI.

Having considered the Business Case and the additional clarification provided on 26 April, I am content to convey DFP approval to this proposal. This approval is given on the basis that:

1. Whilst the scheme is envisaged to be open to new installations until 2020, approval is given for the period 1 July 2012 to 31 March 2015, representing the period for which HMT funding has been secured. Any decision to continue the scheme beyond 2015 would require further/separate DFP approval;

2. As outlined in Section 7.53 of the Business Case, arrangements are put in place for scheduled reviews to allow the progress of the scheme to be monitored, assessed and if necessary, changes implemented. It is noted that the first review is scheduled to start in 2014 and that the reviews will be carried out by DETI;

In considering this letter, it should be further noted that DFP Supply approval is granted subject to the strict adherence to the following three conditions:

- o that the project is commenced within 24 months of the date of this letter;
- o that there are no substantial changes to the scope/scale of the project as described in the business case;
- o that resource or capital costs or assumptions vary by no more than 10% from the value stated;

Requests for revised approval will take account of factors such as:

- o Where Supply is approached on the earliest indication that compliance with one or more of the above conditions is under question.
- o Adherence to correct appraisal procedure;

Should the request for DFP Supply approval be declined, these factors, along with any other mitigating circumstances will be taken into account when determining the extent of the irregular spends.

Further requirements in relation to this project include

DFP does not require a PPE to be submitted for this project; however suitable arrangements for PPE must still be made; i.e. a PPE must be completed by 31 August 2015. DFP will require an assurance that this PPE has been completed and may ask to see it at a later date for the purposes of quality assurance.

It should be noted that this approval relates solely to agreement to proceed with the project. It does not imply approval for expenditure to be incurred beyond existing agreed public expenditure controls.

Yours sincerely,

Ronnie McAteer

RONNIE McATEER

cc Jill Hawthorne
Stuart Stevenson
Sylvia Sands

From: [McCoy, Laura](#)
To: [McCay, Davina](#)
Cc: [Mills, John \(DETI\)](#)
Subject: FW: Meeting with Fiona Hepper
Date: 09 June 2014 14:44:00
Attachments: [heatboss2.png](#)

Davina

To see below email from Janette O'Hagan for your attention.

Thanks.

Laura

Laura McCoy

Personal Secretary
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9200 (ext: 29200)
TextRelay: 18001 028 9052 9200
Web: www.detini.gov.uk

Please consider the environment - do you really need to print this e-mail?

From: Janette O'Hagan Personal information redacted by the RHI Inquiry
Sent: 09 June 2014 14:27
To: McCoy, Laura
Subject: Re: Meeting with Fiona Hepper

Hi Laura,

I had a meeting with Fiona and her team back in October 2013 as arranged by Minister Foster. I've tried to reach her colleague Peter Hutchinson more recently, but to no avail, so I thought it best to bring my points to Fiona herself again. Could you please ensure that the following message gets to Fiona Hepper and confirm?

Many thanks,
Janette

Dear Fiona,

I hope that you'll recall that we'd met back in the Autumn of last year. I had spoken to Minister Foster about my concerns back then and she'd asked that I schedule a meeting with you and your RHI Team.

At the meeting I'd queried if there would be a time when NI's RHI payments would align with the rest of UK's (i.e. to offer a tiered approach to funding whereby the first 1314 peak load hours is funded at the higher amount (7.6p/kWh) and the remainder at a lower amount (1.9p/kWh) to encourage the buildings owners/operators to be more efficient in their usage). As you know in Northern Ireland, a building owner can get a flat rate of 6.1p/kWh no matter what their usage (if boiler is between 20 & 100 kWth).

As I'd said then, what we are seeing on the ground in Northern Ireland is that buildings are using more energy than before because it pays them to do so. The flat rate means that there is no incentive at all to be efficient so the heat in buildings in all year round with the windows open everywhere. When we had spoken, you did not believe that people would do this, but please believe me that it's happening with almost everyone that we approach. It's making it impossible for us to sell energy efficiency equipment to these buildings, even when that's exactly what should be happening as the first step and indeed what is happening in GB. The building owners there know that it's in their interests to be efficient, in Northern Ireland it is not - it's in their interests to be wasteful with what's strictly not a renewable energy source.

I understand that the RHI Team have a very difficult job to undertake to get the renewables adoption rates up, but the current tariffs are making things difficult for companies like ours who main aim is genuine energy efficiency. We've been told by a well established biomass company here to remove the saving detail on our product's literature because their clients were no longer interested in making any savings. I think that you'd agree that there is something inherently wrong with that approach to funding and it's going to put companies like ours out of business.

Could you please advise what the future plans are for the RHI tariffs for non-domestic within the coming years as we need an awareness of this to ensure that our company can survive in Northern Ireland. I urge you to table this issue again for discussion again and If you need proof of what's happening on the ground, I'd be happy to provide information. It's got to a stage now where it simply cannot be ignored any longer.

Please advise.

Kind regards,
Janette

heatboss

T: +44(0)28 9422 8141

M: Personal information redacted by the RHI Inquiry E: Personal information redacted by the RHI Inquiry W: www.heatboss.co.uk

A: Unit 1, Farranshane House, 1 Ballygore Road, Antrim, Co. Antrim, BT41 2RN Northern Ireland

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On 7 Oct 2013, at 10:20, McCoy, Laura <Laura.McCoy@detini.gov.uk> wrote:

Hi Janette

Many thanks for this, I have passed on to Fiona and her colleagues.

Best regards,

Laura

Administrative order to designate provisions of EU Electricity and Gas Regulations

- Designations signed and sealed and notice submitted to Press Office to go in Belfast Gazette (Press Office advise that it will go in on 13 June).
- NIAUR informed informally – draft letter to Jenny with HoD (9 June) – this should issue before notice is published in Belfast Gazette on 13 June.
- Once letter issues, we will notify licensees and publish on DETI website.

Potential need for legislative change in relation to electricity and gas certification provisions

- Continuing to press DECC to engage on developing proposals but no further information received despite repeated requests.

DAVINA - RENEWABLE HEAT**RHI Phase 1**

- Carbon Trust loan issue ongoing – Ofgem is holding a number of applications until issue is resolved. Stephen Moore has advised that the only appropriate solution is that before accreditation Ofgem should issue separate guidance and record potential levels of aid. The aid would be treated under “de minimis” rules. A meeting is arranged for Wednesday 18th at Ofgem to resolve. DETI has also consulted with Carbon Trust on the matter.
- Data sharing issue ongoing – Information Management is investigating a new service for data transfer and will report back to Energy Division shortly.
- Potential need for review of tariffs (particularly for biomass less than 99kW) given advice from Ofgem re: the use of these systems. A system of tiered tariffs might be appropriate.
- Uptake under the scheme remains positive in comparison to GB figures.

RHI Phase 2

- Accountability & Casework has confirmed that DFP approval is not required in respect of domestic scheme as it is from the same pot of money (£25m) as the original approval.
- Casework approval has been granted although some further actions and investigations have been requested. Permission granted to proceed in parallel.
- Anticipated dates – Minister to announce scheme in June, migration of existing RHPP installations commencing July, open to new applicants Sept.
- Aim to have submission, final policy, press release and SL1 with Minister before box closes on 18 June.
- First draft of legislation has been prepared by Arthur Cox – needs finalised once all approvals are in place. Affirmative debate to lay Regulations. Aim to

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Please consider the environment - do you really need to print this e-mail?

From: McCay, Davina
Sent: 11 March 2015 15:18
To: Hughes, Seamus
Subject: FW: Meeting with Fiona Hepper

Davina McCay
Energy Efficiency Branch
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9535 (ext: 29535)
Mob: Personal information redacted by the RHI Inquiry
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Web: www.detini.gov.uk

Please consider the environment - do you really need to print this e-mail?

From: Janette O'Hagan Personal information redacted by the RHI Inquiry
Sent: 11 March 2015 14:23
To: McCay, Davina
Subject: Re: Meeting with Fiona Hepper

Hi Davina,

I hope that you don't mind me emailing you again. The last time that you had responded to me, you had advised that a review of the RHI non-domestic tariffs was to happen in the latter half of 2014. I am really keen to hear how progress is being made on that and if we can expect any developments soon please?

As I'd mentioned before, the RHI non-domestic tariff as it is currently set in NI has a huge adverse impact on us, as it means that potential clients which have moved to biomass are no longer interested in making any efficiencies. I completely understand the need for the RHI and am delighted at the number of jobs that it has created within the province, but the tariffs need to include a motivation to save here, as is the case in the RHI tariffs across the water. For example, I had spoken to a company that installed a biomass boiler for a local company recently and they told me that their client would get a payback in 2 years (with the RHI payments) if he kept the heat on 24/7 Vs over 3 years if he kept the heat on the hours that it was needed (8hrs a day 5 days a week). In anyone's eyes this is completely wrong and motivates further waste.

I understand that this is only one small element of your remit Davina but I am really passionate about this issue, not just because it impacts our business, but because of its impact on the environment - unnecessary waste of any resource should not be allowed and it should certainly not be encouraged.

Kindest regards,

Coyne, Terence

From: Janette O'Hagan Personal information redacted by the RHI Inquiry
Sent: 12 March 2015 19:50
To: Hughes, Seamus
Cc: Wightman, Stuart
Subject: Re: Meeting with Fiona Hepper

Hi Seamus,

thanks for getting back to me.

I believe that the tiered funding in NI needs to ensure that people who avail of non domestic RHI don't just waste fuel for the sake of earning money on the RHI repayments. I had spoken to Fiona Hepper and her team about this 2 years ago. She'd advised me then that they didn't think that businesses would abuse the system, but we see it time and time again when out on client sites. To assume that this isn't happening is not acceptable in my view. This doesn't happen in GB as the higher rate RHI repayment only covers a certain amount (~around 75% of a 40 hr week) of their usage and the remainder of usage is at a lower rate - thus encouraging efficiencies.

I've tried to speak to each person who has subsequently taken on the RHI role and Davina had acknowledged that when she was looking after Renewable Heat she intended to review elements of the non-domestic RHI, including tariffs. She had said that the issues that I was raising were on the RHI team's radar and would be dealt with. It's really disappointing to hear that that's not the case any more, other than possibly in the future for budgetary controls. The rest of us, who are actually trying to save energy, money and the environment have an uphill struggle against such legislation. I understand that it is a renewable resource, if replanted, but really should it be being wasted for profit?

Kind regards,
Janette

On 12 Mar 2015, at 11:54, Hughes, Seamus <Seamus.Hughes@detini.gov.uk> wrote:

Good morning Janette

Davina McCay has forwarded your email to me.

In terms of the non –domestic RHI I can advise that the phase 2 review is now underway but the final policy has yet to be determined. The phase 2 review will see the extension of the RHI to new technologies and tariffs, and these should be in place late in 2015. With regard to tiered funding, whilst this is not being proposed as a specific issue under the review it may be introduced at a later date as a budgetary control measure.

I hope this is helpful to you.

Regards

Seamus

Seamus Hughes
Energy Efficiency Branch
Department of Enterprise, Trade & Investment
Netherleigh