

From: [Stewart, Chris \(DETI\)](#)
To: [Mills, John \(DETI\)](#); [McCormick, Andrew \(DFE\)](#)
Cc: [Wightman, Stuart](#); [McIlwrath, Linda](#); [Hill, Janice](#); [Hughes, Seamus](#); [McIlwrath, Linda](#)
Subject: RE: Update on RHI
Date: 20 August 2015 17:42:35
Attachments: [RE RHI.msg](#)

Andrew

This is indeed pressing. I advised Tim (attached) that a direction may be required.

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From: Mills, John (DETI)
Sent: 20 August 2015 17:05
To: McCormick, Andrew (DETI); Stewart, Chris (DETI)
Cc: Wightman, Stuart; McIlwrath, Linda; Hill, Janice; Hughes, Seamus
Subject: FW: Update on RHI

Andrew/Chris,

Not sure how to take forward, will raise at SMT if content for me to do so

The current position with the various RHI work streams is set-out below (thanks Stuart). We have effectively done everything we can and now await clearance of the Submission. The team is fielding daily telephone queries on when our proposed changes will happen. Even if we receive clearance this week and publish the final policy, we're only effectively giving the industry 6 weeks notice and risking legal challenge. Stuart has been speaking informally to Moy Park who are supportive of our proposals for a tariff tier and cap. It is the individual applicants and installers where we're likely to receive flack. Stuart tells me some have these have declined work on the expectation of the introduction of additional measures to manage the scheme.

RHI Issues

- (1) **RHI Submission** – we are still awaiting Ministerial clearance on the proposals. We have responded to various SpAD queries and Chris has highlighted to SpAD the need for this to be cleared asap.
- (2) **Legislation for Tariff Changes in October** – Paul McGinn (DSO) is scrutinising our draft regulations himself. We expect a response this week. ETI Committee need to clear SL1 (policy) at its first meeting on 15 September to meet our October deadline. SL1 cannot be sent to ETI Committee until Submission is cleared.
- (3) **Administrative Changes for Tariff Changes** – we have instructed Ofgem to update their administrative IT systems and processes to ensure the proposed tariff changes can be implemented from 5 October 2015.
- (4) **RHI business case** – We've taken this as far as we can. Sandra is to provide up-to-date figures later this week on her return. Alan/Shane have completed the VFM section which show a positive NPV for commitments post 1 April 2015. We can't submit Business Case until Minister has cleared submission.
- (5) **Budget** - Angela Redwood, (DECC), has responded to our correspondence

confirming that there is no spare GB funding and arrangements need to be made with HMT. This DECC response was shared with Trevor Cooper. The additional AME required for this year has now appeared in our baseline.