

**RENEWABLE HEAT INCENTIVE FOR NORTHERN IRELAND**

- DETI is committed to developing the renewable heat market in Northern Ireland as there are many benefits in doing so such as increased fuel security, reduced carbon emissions and the opportunity in this sector for 'green' jobs.
- The Strategic Energy Framework includes a target of 10% renewable heat by 2020. This is a stretching and challenging target considering the current level of renewable heat is around 1.7%.
- My Department consulted on proposals for a Northern Ireland Renewable Heat Incentive over the summer. The consultation sought views on a range of measures proposed by the Department of Enterprise, Trade and Investment aimed at developing the local renewable heat market.
- Whilst the RHI was generally welcomed as the most appropriate method for incentivising the local renewable heat market a number of issues were raised by stakeholders that required further consideration. My Department has recently been carrying out further analysis on the tariffs, banding and technologies within the RHI, with a view to finalising proposals shortly.
- Her Majesty's Treasury (HMT) has allocated £25m for a Northern Ireland RHI, should one be introduced, over the current budget period.

**CONNECTION CHARGES****High cost / delays of connecting renewables to the grid**

- NIE operates under a regulatory framework determined by the Utility Regulator and as detailed in their licence.
- NIE is required under this licence to provide a connection offer to all generation connecting to the distribution system in line with their connection charging statement.
- This statement is monitored and enforced by the Utility Regulator.
- I understand that NIE has recognised the need to have adequate resources in place to meet the increasing number of connection requests.
- I understand NIE has responded to the rise in applications by recruiting a number of staff to the generation connections team as well as managerial and administrative staff.