

From: [Hughes, Seamus](#)
To: ["Alan Hegan"](#)
Cc: [Wightman, Stuart](#)
Subject: RE: queries surrounding future system alterations. CRM:0189516 ---- DETI Second opinion requested
Date: 24 August 2015 13:59:59
Attachments: [image001.png](#)

Good afternoon Alan

In response to your query below my understanding of the position as presented to us by Ofgem is that in the scenario you have outlined below the installation would be accredited under the current scheme rules.

Regards

Seamus

Seamus Hughes

Energy Efficiency Branch
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From: Alan Hegan [<mailto:alan@heganbiomass.com>]
Sent: 22 August 2015 10:42
To: Hughes, Seamus
Subject: Re: queries surrounding future system alterations. CRM:0189516 ---- DETI Second opinion requested

Many thanks for the clear answers

I had a feeling that the response I was getting before from ofgem was a quotation pulled from a generic text that was written addressing a different context than the question I was actually asking.

Final question (this is not generic). Providing that the biomass installation is in, compliant and commissioned and all relevant paperwork submitted before 5th October, will the application date be affected if the process to which it is attached is not fully ready for operation. for say a couple of weeks after the date?

Again the reason for asking this is we want to be in a position to offer clear, concise and accurate information to clients.

regards
Alan

On 21/08/2015 11:51, Hughes, Seamus wrote:

Hi Alan

The provision for relocation if built into the Regulations would provide for continuation of existing tariffs for the remainder of the tariff lifetime.

In terms of your second email about update on date for the proposed RHI changes we are still working towards 5 October and we hope to publish the final details shortly.

Regards

Seamus

Seamus Hughes

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From: alan@heganbiomass.com [<mailto:alan@heganbiomass.com>]
Sent: 21 August 2015 10:53
To: Hughes, Seamus
Subject: Re: RE: RE: queries surrounding future system alterations. CRM:0189516 ----
DETI Second opinion requested

Thanks Seamus

The queries are generic.
We are trying to establish the facts as we are being asked a lot of questions by clients.

Can you confirm if the ability to move the system was built into the regulations., would that movement mean an accredited system remaining on the a ccreadited tariff or would it have to move to the lower tarrif available at that time.

Thanks
Alan

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Sent from myMail app for Android

Friday, 21 August 2015, 10:30AM +01:00 from "Hughes, Seamus"
<Seamus.Hughes@detini.gov.uk>:

Good morning Alan

I take it you are working through various relocation scenarios in a generic sense rather than actual installations at this stage? The information that Ofgem has provided you with below reflects the current position that they are working to under the Regulations. That said as I think I indicated to you in a recent conversation we are proposing changes to the NI RHI in the course of the October revisions which will provide for relocation of accredited RHI installations to bring us into line with the position in GB.

The front line staff you were dealing with in Ofgem would not be aware of the forthcoming changes and can only relay the factual position to you under the current rules. The detail of the changes around relocation will become clear in due course but they will for all intent and purpose mirror the current GB rules on this issue.

I hope this is helpful to you.

Regards

Seamus

Seamus Hughes

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From: Alan Hegan [<mailto:alan@heganbiomass.com>]
Sent: 20 August 2015 13:05
To: Hughes, Seamus
Subject: Fwd: RE: queries surrounding future system alterations. CRM:0189516 ----
DETI Second opinion requested

Seamus
Can i get a second opinion on below?

Can you please confirm below, specifically the scenario C. As regards the movement of a containerised plant room (without decommissioning and recommissioning) can movement of a containerised plant room by as little as 10ft on the same site to accommodate extension of premises really render the whole installation ineligible??

I was always under the impression that reasonable allowances would be made for relocation providing that there were good grounds for this taking place (ie business relocation etc.).

Many thanks
Alan

----- Forwarded Message -----

Subject:RE: queries surrounding future system alterations. CRM:0189516
Date:Thu, 20 Aug 2015 11:50:32 +0100
From:RHI Enquiries <RHI.Enquiry@Ofgem.gov.uk>
To:Alan Hegan <alan@heganbiomass.com>

Dear Alan Hegan

Thank you for your further enquiry regarding the Non Domestic Renewable Heat Incentive (NDRHI).

The NDRHI Scheme for Northern Ireland is regulated by the Department of Enterprise Trade and Industry (DETI) and at the time of writing this response Ofgem have not been made aware of intended tariff changes to the NDRHI schemes they support

The Ofgem websites has links to all the published and verified support and information available at the following links:

<https://www.ofgem.gov.uk/environmental-programmes/non-domestic-renewable-heat-incentive-rhi/northern-ireland-renewable-heat-incentive>

Concerning your scenarios I would refer you firstly to the DETI's published [Guidance Volume One](#) which covered eligibility and the [Guidance volume Two](#) which covers Ongoing obligations and any possible changes to the site during the duration of the

20 year lifetime on the scheme.

Firstly please be aware that upon initial application for the NINDRHI scheme you are required to demonstrate that the containerised installation is not temporary.

[Guidance Volume One](#) states on page 47 section 6.6 that:

“The Regulations define a building as ‘any permanent or long-lasting building or structure of whatever kind and whether fixed or moveable which, except for doors and windows, is wholly enclosed on all sides with a roof or ceiling and walls’.

The definition therefore has two main components: whether the building is permanent or long-lasting, and whether it is wholly enclosed. Ofgem explain below how they will interpret these two components; you will need to ensure that your building meets both criteria.”

Scenario A

[Guidance Volume One](#) states on page 30 section 4.35 that:

“The relocation of a plant will render the plant ineligible; this is because to be eligible for the NIRHI, the plant must have been installed and first commissioned on or after 1st September 2010 and have been new at the time of installation.”

Scenario B

[Guidance volume Two](#) states on page 68 section 8.25 that:

“It will be a condition of registration that you must tell Ofgem within 28 days of any change to your circumstances which may affect your eligibility. You may contact them with this information, or, depending on the information that has changed, amend your details in your online account. If the new information you supply affects your eligibility to receive NIRHI payments shall notify you and advise you as to what they intend to do in the circumstances.”

This is done by emailing Ofgem on rhi.notification@ofgem.gov.uk; the Amendments Team will then conduct a review of the installation and make a decision on its continued eligibility to the NINDRHI scheme.

Scenario C

The response to this is covered under the response to Scenario A and B

Scenario D

Two states on page 6 under Ongoing Obligations that:

“Once part of the scheme, participants will need to comply with a number of ongoing obligations which are explained in this Guidance such as regular submission of heat data, meter readings and fuel data for certain bioenergy installations.

*Participants will also be expected to maintain their heating equipment and meters, and report any significant changes to their installation or heat uses to Ofgem. Participants will be required to make annual declarations to Ofgem confirming their compliance, and may be selected for audits and/or a site inspection. Failure to comply with ongoing obligations (***including notification of a change of ownership of an accredited installation***) may lead to Ofgem taking compliance action against a participant.”*

Furthermore Page 38 section 5.33 covers the **Tariff lifetime in the circumstance of a change in ownership of an accredited installation** and refers to the correct process covered in more detail in Chapter 8 of the same document.

Finally please note Ofgem we cannot guarantee scheme eligibility in advance of an application or amendment prior to a full review by our accreditations team.

I hope this has been helpful, however if you have any further queries please do not hesitate to contact us:

Kind regards,

Kieron

Enquiries Team

Non domestic RHI Team

Ofgem E-Serve

www.ofgem.gov.uk/rhi

0845 200 2122

Thank you for your enquiry. The best place to find information on the RHI scheme is our 'how to apply' pages which can be accessed [here](#).

Have you seen our new easy guides? The first of these; [Easy guide to the non-domestic RHI](#), covers the main eligibility points and process for applying to the non-domestic RHI.

----- Original Message -----

From: Alan Hegan

Received: 19/08/2015 23:34

To: RHI Enquiries

Subject: queries surrounding future system alterations.

Good Evening

Northern Ireland Scheme - non domestic. - Tariff changes query due to possible future alterations.

I would appreciate it if you were able able to clear up the following queries as we are being asked of us by clients as there is no clear indication in the guidance notes. The closest reference I can find is located under volume 2 2.16 and is written in the context of additional plant being added to the system affecting the banding or additional plumbing being added which would affect metering requirements. There is no mention of the scenarios outlined below.

Senario A

A containerised biomass boiler system C/W closed loop heat exchanger is installed by a participant in the NIRHI scheme into rented premises that they have a long

term lease of 10 years.

After 10 years and the lease expires, the participant finds that the lease is not available for renewal. Will that participant be able to retrospectively move the installation (without any disassembly/decommissioning and or recommissioning of the installation as it is a closed loop system) and heat their new premises under the same accreditation?

No additional boiler capacity, No additional heat generators. No different metering requirements, Heat loss de minus in both locations. Ofgem informed prior and immediately after transport.

Senario B

A containerised biomass boiler system C/W closed loop heat exchanger is installed by a participant in the NIRHI scheme into owned premises to service a space heating and process heat function.

After 10 years and the business grows, the participant finds that the premises is no longer fit for purpose and expands/rebuilds the commercial premises. The installation remains on site and any alteration to the system is on the system side of the heat exchanger. ie. (without any disassembly/decommissioning and or recommissioning of the installation as it is a closed loop system). No movement of the installation occurs. Will that participant be able to build the new/extended/renovated building and process under the same accreditation?

No additional boiler capacity, No additional heat generators. No different metering requirements, Heat loss de minus in both locations. Ofgem informed prior and immediately after works.

Senario C

Same question as B except in this case the construction works require the movement of the container by 10 feet.

Senario D

A containerised biomass boiler system C/W closed loop heat exchanger is installed by a participant in the NIRHI scheme into 3rd party premises to service a space heating and process heat function as part of a 20 year ESCO contract agreement.

A participant decides for whatever reason, that they no longer wish to retain ownership of the installation and wish to sell it.

Will the new owner be able to transfer the installation and accreditation into their name?

many thanks

Alan

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