

From: [Hughes, Seamus](mailto:Hughes.Seamus)
To: ceo@centreministries.org
Cc: [Wightman, Stuart](mailto:Wightman.Stuart)
Subject: FW: FW: Biomass Contact
Date: 25 August 2015 14:04:51

Mr Baxter

Stuart Wightman has passed your email to me to respond with an update on the proposed non domestic RHI changes.

DETI is currently looking at changes to the non domestic RHI in the autumn,(late October/early November), as part of the outworking of the phase 2 review consultation from late 2013. The proposals under consideration concern a new tariff for combined heat and power,(CHP), to coincide with the changes to the NIRO,(ROC's), and also cost control measures around biomass banding, and tariff tiers for biomass.

We are awaiting Ministerial decision on the proposals which is expected this week at which point details will be published on the DETI website.

I hope this is helpful to you.

Regards

Seamus

Seamus Hughes

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

From: Harry Baxter [<mailto:ceo@centreministries.org>]
Sent: 25 August 2015 12:29
To: Wightman, Stuart
Subject: Re: FW: Biomass Contact

Stuart,

You may remember a telephone conversation with me a few months ago regarding changes to the tariff bands for RHI payments.

At that time, you expected that change would take place (subject to ministerial approval) in Autumn 2015. I wondered if that was still the expected timeframe and where any amendments etc. would ultimately be published?

Thanks for your time again.

Harry

On Wed, Jan 7, 2015 at 9:46 AM, Harry Baxter <ceo@centreministries.org> wrote:
Stuart,

Thank you for your reply a few months ago. I have tried a few times to contact you by phone but, so far, unsuccessfully.

I am most interested in the detail of your penultimate paragraph: In addition, the Department will be reviewing the current tariff bandings including the existing biomass banding that you have referred to below. The tariff bandings of the existing GB scheme will be factored into this review.

Can you indicate when this review is likely to report?

You helpfully explain the rationale for the difference in tariff levels between GB & NI and how that prevents any disadvantage to NI consumers. However, the difference in banding is a very clear disadvantage to NI consumers, particularly early adopters as those entering the scheme now are able to manipulate their systems to keep within the lower tariff. Ironically, it would be viable for us to take out our 199kwh boiler and replace it with 2 x 99kwh boilers and split our system. However that flies in the face of good environmental stewardship.

I trust that you will be able to give me a timeline within which the current inequality can be addressed.

Many thanks,

Harry.

On Tue, Oct 28, 2014 at 9:44 AM, Wightman, Stuart <Stuart.Wightman@detini.gov.uk> wrote:

Mr Baxter, thank you for your query below on biomass tariffs for the NI Renewable Heat Incentive scheme.

I can confirm that the NI tariffs for renewable heat are lower than those offered in the GB scheme as they are designed against an oil counterfactual rather than a natural gas counterfactual as in GB. This reflects the 2 heat markets with oil the dominant heating fuel in NI at 75%+ and natural gas the dominant in GB 70%+. Setting the counterfactual position against oil within the NI scheme reflects the likelihood that the majority of people switching to renewable heat will be displacing oil. As oil is a more expensive fossil fuel, less of an incentive is required to switch to renewable heat. NI consumers should not be disadvantaged in comparison to GB consumers, as whilst the tariff levels are lower the ongoing savings that can be expected from switching to renewable heat will be considerably higher for NI consumers. Therefore the overall benefit for the consumer is similar. Also, with the proposed Domestic RHI scheme to be launched later this year, Northern Ireland customers will receive a technology based upfront payment which is not available to GB domestic customers.

In addition to introducing a Domestic RHI Scheme later this year, DETI will be taking forward proposals to extend the existing Non-domestic scheme in 2015. Some of the issues that are being considered as part of this extension are:

- A specific tariff level for deep geothermal heating (currently treated like ground source heat pumps);
- The introduction of tariff for Air Source Heat Pumps;
- The need for support for large biomass installations (>1MW); and
- The potential development of an “uplifted” tariff for community or district heating schemes.

In addition, the Department will be reviewing the current tariff bandings including the existing biomass banding that you have referred to below. The tariff bandings of the existing GB scheme will be factored into this review.

Unfortunately, I am out of the office today, but please contact me on 90529425 if you wish to discuss further.

Thanks

Stuart Wightman

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From: **Harry Baxter** <ceo@centreministries.org>

Date: Thu, Sep 4, 2014 at 1:56 PM

Subject: Renewable Heat Incentive

To: jimwellsdup Personal information redacted by the RHI Inquiry

Jim,

I e-mailed you about this when you were on holiday.

I'm keen to open a discussion with someone (probably Arlene's dept) regarding the disparity between GB & NI on this.

We were early adopters of alternative energy, installing a 199 Kwth biomass system at Castlewellan Castle in 2010.

The legislation in GB allows for a payment of 8.4p/Kwh (dropping to 7.1p next mth) for boilers up to 200 Kwth. Above 200 Kwth there is a sliding scale back to 2p.

http://www.icax.co.uk/Renewable_Heat_Incentive.html

In NI, the payment of 6.3p is only available up to 100 Kwth, thereafter dropping to 1.5p.

<http://www.nidirect.gov.uk/renewable-heat-incentive>

Those installing today are using various means to split their systems into 2 or more parts & installing a series of 99 Kwth boilers. We didn't try to play games with our installation & are now being punished for being genuine early adopters.

I would like DETI to look at mirroring the scheme on offer in GB. Can you move this on for me?

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Kind Regards,

Harry Baxter

M: Personal information redacted by the RHI Inquiry

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