

From: [NL RHI](#)
To: "[Iain Hoy](#)"
Cc: [Stewart, Chris \(DETI\)](#); [Mills, John \(DETI\)](#); [Wightman, Stuart](#)
Subject: RE: RHI costs
Date: 22 February 2016 10:53:25
Attachments: [Letter to Iain Hoy CBI re RHI closure.pdf](#)

Iain

Please see attached response to your query on RHI closure from Stuart Wightman.

Regards

Seamus

Seamus Hughes

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

From: Iain Hoy [mailto:Iain.Hoy@cbi.org.uk]
Sent: 09 February 2016 11:20
To: NI RHI
Cc: Stewart, Chris (DETI)
Subject: RHI costs
Importance: High

To whom it may concern

As a matter of urgency - could DETI inform the CBI on the exact nature of the budgetary pressures facing DETI/Department for the Economy should the RHI not be closed? In particular it would be useful to see what proportion of available funding is committed to domestic projects compared to non-domestic projects.

As might be expected members are desperate for details behind the decision to close the RHI at such short notice. If DETI could outline to us the budgetary pressures it may go some way to explaining to members why this sudden unexpected course was taken.

Best wishes

Iain

Iain Hoy

Senior policy adviser - Northern Ireland
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<http://www.cbi.org.uk/images/Influence.gif>



The CBI's (Confederation of British Industry's) registered address is:
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22 February 2016

Iain Hoy
Senior Policy Advisor Northern Ireland
CBI

By email

iain.hoy@cbi.org.uk

Dear Iain

RHI COSTS

Thank you for your email of 9 February 2016 seeking information of the budgetary pressures facing DETI forcing the need for closure of the RHI at short notice and also a breakdown funding between the non domestic and domestic schemes.

An unprecedented increase in demand on the non domestic scheme in the run up to tariff changes made in November 2015 saw over 900 applications received. This doubled the total number of installations on the scheme and the associated RHI payments. This increase in demand together with reductions in funding following the Chancellor's Spending Review and changes in how RHI funding is treated means the NI budget of £18m for 2016/17 is already committed to existing RHI recipients. Even meeting existing RHI commitments in 2016/16 may require £30m of additional funding to be found from the resources available to the Executive. To help manage these budgetary pressures, the Minister has decided to close both schemes to new applications from 29 February 2016 which was approved by the Assembly on 15 February 2016.

In terms of the split between the two schemes domestic RHI payments account for around 5% of forecast expenditure during the next 5 years.

I hope this is helpful to you.

Yours sincerely

S. Wightman

STUART WIGHTMAN
Head of Energy Efficiency Branch