

From: [Wightman, Stuart](#)
To: Adam.Moore@niassembly.gov.uk
Cc: [Willis, Adele](#); [Dolaghan, Paul](#); [Hughes, Seamus](#)
Subject: FW: Renewable Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015
Date: 17 November 2015 12:38:45
Attachments: [Signed motion 09 11 15.pdf](#)
[ETI Minister Statement - Motion Debate on RHI Regulations 171115.pdf](#)

Adam

I also attach a copy of our Minister's Speech for Hansard.

Stuart

From: Wightman, Stuart
Sent: 17 November 2015 12:31
To: 'Adam.Moore@niassembly.gov.uk'
Cc: Willis, Adele; Assembly Liaison Unit; Dolaghan, Paul; Hughes, Seamus
Subject: Renewable Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015

Adam

Please find attached copy of signed Motion for that has just been approved by the Assembly. I can confirm that the Signed Motion was delivered to the Business Office on 9/11/15.

Happy to discuss.

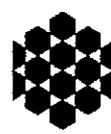
Thanks

Stuart

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*Ms.
L. LeSper*

N.I. ASSEMBLY
09 NOV 2015
BUSINESS OFFICE



Department of
**Enterprise, Trade
and Investment**
www.detini.gov.uk

MOTION FOR APPROVAL

To: **Assembly Business Office**

That the draft Renewable Heat Incentive Schemes (Amendment) Regulations (Northern Ireland) 2015 be approved.

Jonathan F. Bell

JONATHAN BELL MLA
Minister of Enterprise, Trade and Investment

OPENING SPEECH FOR DEBATE ON THE RENEWABLE HEAT INCENTIVE SCHEME REGULATIONS (NORTHERN IRELAND) 2015

- I beg to move.
- [Mr Speaker/Mr Deputy Speaker], this statutory rule is being made under powers contained in the Energy Act 2011, which prescribes that these Regulations must be laid in draft for approval by affirmative resolution of the Assembly.
- In addressing sustainable energy our focus often falls on renewable electricity. Yet a greater proportion of our energy use is for heat. This includes domestic central heating, heating of commercial premises and heating for industrial processes such poultry as production.
- NI's predominant form of heating fuel is oil – in contrast to GB where it is gas which is a much cleaner fuel.
- The Executive is supporting the extension of the gas network through a grant of £30m for Gas to West and we hope to see this progress over the next few years along with the extension of gas to East Down.
- The Executive's principal vehicle for promoting renewable heat is the Renewable Heat Incentive. This is designed to deliver the Executive's PfG renewable heat targets of 4% by 2015 and 10% by 2020.
- This will contribute to the UK's target of 15% renewable energy by 2020 as required by the EU Renewables Directive.

- The Non-domestic RHI was introduced in 2012. It incentivises the uptake of renewable heat technologies such as biomass, heat pumps and solar thermal installations. It provides payments for 20 years based on heat energy generated. The level of tariff is dependent on the size and type of technology and is calculated to cover capital costs, operating costs and non-financial ‘hassle’ costs over the lifetime of the technology.
- Following this the Domestic RHI Scheme was introduced in December 2014, replacing the earlier Renewable Heat Premium Payment scheme.
- It was always the intention to introduce changes to the Non-domestic Scheme to make tariff changes and introduce cost control measures. These were consulted on in 2013 but since then implementation of the Domestic scheme was given priority. These regulations begin the process of introducing measures to update the Non-domestic scheme.

- First, new tariffs are being introduced for Combined Heat and Power (CHP). This is to allow CHP projects to claim for their renewable heat under the RHI and their renewable electricity under the NI Renewables Obligation.
- Second, the medium biomass tariff is being extended to encompass larger boilers. This will incentivise single larger boilers and brings NI into line with GB.
- Third, a tiered tariff and cap are being introduced for new small and medium biomass installations to ensure value for money.
- Just under £38m of funding has been provided by Treasury for the Northern Ireland RHI schemes during the 5 year 2011-16 period. However, low levels of uptake generated an under spend of around £15m during the first 4 years.
- My Department's focus over the past 12 months was on trying to improve the performance of the RHI scheme to achieve the Executive's PfG target and ensure that the renewable heating sector and the wider NI economy benefitted from this investment. To give one example, extensive advertising campaigns were conducted during 2013/14 and 2014/15.

- This has resulted in increased scheme uptake over the last 12 months. The total number of renewable heating installations under the Non-domestic scheme has increased from just over 250 to over 1600 during the last 14 months. Current estimates suggest around 6% of our total heating needs in Northern Ireland are now met through renewable heating technologies.
- In addition to the reduction in CO2 emissions that this brings, the local NI economy is benefiting from over £23m of annual investment through the RHI schemes. This investment brings benefits in terms of job retention and creation in the energy services sector.

FUTURE CHANGES & COST CONTROLS

- But unfortunately all this success comes at a cost. Total application numbers for the NI non domestic scheme are now exceeding our highest estimates. We therefore need to look at the full range of cost control measures that have been introduced in GB. Of necessity this will include measures to curtail the scheme should Treasury funding be restricted.
- I will take decision in light of any announcements in the spending review. However, these are matters for another day.

CONCLUSION

- At this time I ask members to support the Regulations.

WINDING UP SPEECH FOR DEBATE ON RENEWABLE HEAT INCENTIVE SCHEMES (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2015

- I would like to thank the Committee Chair for his support. Energy matters are obviously a major issue for this Assembly and for local households and businesses.
- I am committed to expanding opportunities to provide greater choice for consumers, promoting more sustainable technologies and supporting those wishing to change from conventional fossil fuel heating. The development of the renewable heat sector promotes a more diverse and competitive heating market in Northern Ireland: it brings new jobs and business and contributes to our targets for cutting carbon emissions.
- I commend the motion to the House.