From: <u>Vaughan, Helen</u>
To: <u>McGinn, Paul</u>

Cc: Mills, John (DETI); Wightman, Stuart; Hughes, Seamus; Smith, Alan; Anderson, Gail

Subject: Draft RHI Closure notice
Date: 12 February 2016 11:21:54
Attachments: Draft RHI Closure notice.docx

Paul.

When we spoke earlier this week, I mentioned that I would send you through the draft notice for suspension of the RHI schemes. This is attached.

I assume it is in order for a single notice to effect the suspension of both schemes.

Given that the 'trigger' for the power to suspend rests upon it appearing to the Department that sufficient funds are not available I have included some information on the budget position – the Department's preference would be to omit the second sentence of this paragraph as the confirmation of £18m as the committed budget figure for 2016/17 is the key trigger for suspension going forward. Perhaps we might discuss whether there is sufficient information here to support the suspension decision?

We plan to issue the notice immediately after the Regs come into operation. However, the Minister issued a press release yesterday saying that rather than closing the schemes to new applications on the earliest possible date, he proposes that, pending Assembly approval, both schemes will remain open until 29 February. I assume therefore our date of suspension will be 29 February and the date from which we will not accept applications is 1 March.

I'd appreciate your views on the draft notice just as quickly as possible.

I'm happy to discuss.

Helen

NORTHERN IRELAND RENEWABLE HEAT INCENTIVE SCHEMES NOTICE OF SUSPENSION

The Department of Enterprise, Trade and Investment ('the Department') in accordance with regulations 23A(1) and (2) of the Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2012 ('the 2012 Regulations') and regulation 22A(1) of the Domestic Renewable Heat Incentive Scheme Regulations (Northern Ireland) 2014 ('the 2014 Regulations') hereby gives notice of the suspension of both the non domestic and domestic Renewable Heat Incentive (RHI) schemes with effect from [29 February 2016].

Total payments for the RHI schemes for 2016/17 will exceed the committed budget of £18m [confirmed by the Department of Finance and Personnel]. [Current expenditure for 2015/16 is £30m.]

In these circumstances, regulation 23A(1) of the 2012 Regulations applies as the Department does not have or is not likely to have sufficient funds available to it for the purpose of meeting the full cost of periodic support for all eligible RHI installations accredited under the 2012 Regulations and RHI payments for all plants accredited under the 2014 Regulations.

The Department has therefore decided to suspend the RHI schemes.

From [1 March 2016] no new applications under regulations 22, 25 and 26 of the 2012 Regulations and regulation 17 of the 2014 Regulations may be made. The suspension of the RHI schemes to new applications does not affect those currently in receipt of RHI payments.