

From: [Montgomery, Paul](#)
To: [Reid, Victoria](#); [Crozier, Lorraine](#)
Subject: FW: URGENT Letter from the Renewable Heat Association Northern Ireland
Date: 16 January 2017 08:35:58
Attachments: [image001.gif](#)
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[ATT00006.htm](#)
[RHANI Letter to MLA's.pdf](#)
[ATT00007.htm](#)

For info

From: McCormick, Andrew (DFE)
Sent: 15 January 2017 13:25
To: McMurray, Stephen
Cc: McCann, Brendan; Cousins, Heather; Marten, Lucy; Coyne, Terence; Murphy, Shane; Dukelow, Victor; Montgomery, Paul; Archbold, Claire; McGinn, Paul
Subject: Fw: URGENT Letter from the Renewable Heat Association Northern Ireland
Comments on the attached would be helpful. It ignores the one year applicability of the new Regs, and also the fact that so many are get ring vastly inflated rates of return.
Will need to check we have lines on all the points raised.
Many thanks.
Sent from my BlackBerry 10 smartphone.

From: Simon Hamilton <simonhamiltonmla> Personal information redacted by the sender
Sent: Sunday, 15 January 2017 13:06
To: McCormick, Andrew (DFE)
Cc: johnrobinson@dup.org.uk
Subject: Fwd: URGENT Letter from the Renewable Heat Association Northern Ireland

Sent from my iPhone

Begin forwarded message:

From: Terry Waugh <Terry.Waugh@actionrenewables.co.uk>
Date: 15 January 2017 at 13:01:52 GMT
To: Michael Doran <Michael.Doran@actionrenewables.co.uk>
Subject: URGENT Letter from the Renewable Heat Association Northern Ireland

Dear MLA,
Please see attached letter from the Renewable Heat Association Northern Ireland.
If you wish to reply or ask any questions please **do not reply to this email**; replying to this email will copy in all the other participants who are 'BCC'd'. Instead, please email terry.waugh@actionrenewables.co.uk. If you do email you will not get a reply today.

Thank you!

Terry

Terry Waugh BA(Hons) MBA

Deputy Executive Director
00442890727760

Michael Doran
Chair, Renewable Heat Association Northern Ireland
C/o Action Renewables
Block C Unit 1 Boucher Business Studios
Glenmachan Place
Boucher Road
Belfast
BT12 6QH

15th January 2017

Dear MLA,

I am contacting you on behalf of the RHA, the Renewable Heat Association for Northern Ireland. The RHA is the body representing the Renewable Heat Industry (owners, trade bodies, suppliers, installers, users) in Northern Ireland. The issues surrounding the Renewable Heat Incentive, have created the need for a single body, speaking with one voice, to represent the interests of those who have genuinely and honestly taken part in this scheme. The Association does not support, in any way, the inappropriate use of heat generation.

We are aware, that it is likely, that there will be a vote in the Assembly, on Monday, in relation to legislation which will have the effect of reducing tariffs which will result in breaches of the contracts entered into by participants in the scheme. While this may be appropriate for some operators, who do not have a need for heat delivered over many hours throughout the year, it will not be appropriate for others.

Our concerns include:

- The proposed amendment will be discriminatory, in affecting those who have a higher heat requirement than others.
- Many business owners have invested significant amounts of money, in many cases over £1 million into the local economy, by investing in these technologies and further infrastructure based on the guaranteed, grandfathered tariff available. Much of that investment has been in the form of loans which they will not be able to renegotiate.
- It will completely destroy the willingness of any financial institution to finance any further Renewable Energy schemes, of any description, or type, if there is a precedent for the Government in Northern Ireland to carry out a volte face, on support mechanisms.
- There is no practical justification for this notional cap. We do not understand on what basis this 400 000 kW hours' cap has been determined.
- It will adversely affect the perception of Northern Ireland as a place for inward foreign direct investment if the Government opts to break a 20-year contractual agreement.

The RHA calls for audits, both Technical and Business, for all installations. If any boiler operator is found to be acting fraudulently they should be removed from the scheme, prosecuted and monies which have been claimed illegally should be returned. We also recommend that an economic assessment of the cost of the scheme which assesses the socio economic and environmental

benefits to Northern Ireland should take place. If the proposed course of action is carried out, following a vote in the Assembly, it may well result in a further drain on the public purse, as a result of having to make reparation, for illegal amendments to the contracts. There is a precedent in Great Britain for a successful challenge of a decision to rescind payments by the Department of Energy & Climate Change (DECC) in relation to the solar FIT Tariff in 2012. A subsequent legal challenge overturned that decision.

There has not been a balanced or accurate reporting of the facts surrounding the scheme. Only 3% of installations have been audited, and it would be inadvisable to take any substantive action without actually determining the extent of the problem first. The draft legislation is flawed, and is likely to be challenged in Court due, among other reasons, to the lack of consultation and an unlawful interference with accrued or vested rights. It is being driven by a political agenda.

We are anxious to see an apposite resolution to this issue which limits the cost to the public exchequer in a proper and legal manner. We would welcome the opportunity to meet with the Department to try and identify the best way to resolve this issue. A vote to support the amendment, proposed on Monday, will not achieve this, but will exacerbate the situation.

Yours faithfully.



Michael Doran
Chair Renewable Heat Association