

**From:** [Hegarty, Damien](#)  
**To:** [Hepper, Fiona](#)  
**Cc:** [Dolaghan, Paul](#); [Neth, Energy](#); [Sterling, David](#); [Cooper, Trevor](#); [Thomson, David](#); [Aiken, Glynis](#); [Stevenson, Valerie \(DETI Private Office\)](#); [Baxter, Clare](#); [DG, DETI Press Office](#); [Hegarty, Damien](#); [McLaughlin, Christine \(DETI\)](#)  
**Subject:** Submission: SUB/260/2012 LAUNCH OF THE NORTHERN IRELAND RENEWABLE HEAT PREMIUM PAYMENT SCHEME  
**Date:** 25 May 2012 10:04:41  
**Attachments:** [SUB 260 Min Content.pdf](#)

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DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT

Unclassified

**From:** Damien Hegarty  
Private Office  
**To:** Hepper Fiona (Mrs)  
**Date:** 25/05/2012

Action Copy: cc Energy  
Hegarty Damien (Mr)  
McLaughlin Christine (Mrs)

SUB/260/2012:LAUNCH OF THE NORTHERN IRELAND RENEWABLE HEAT  
PREMIUM PAYMENT SCHEME

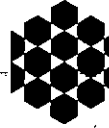
The Minister has seen and read your submission of 17/05/2012 and is content.

Many thanks.

Damien Hegarty (Private Office)

Netherleigh House Tel: 29209

OffName



minister: for your consideration and  
if content approved please.

From: Fiona Hepper

Date: 16 May 2012

To: 1. Andrew Crawford

2. Arlene Foster MLA

*17/05/12*  
*[Signature]*  
*24/5*

– Press release Copy Distribution List below  
approved 23/5/12.

DETI SUB 260/2012

## LAUNCH OF THE NORTHERN IRELAND RENEWABLE HEAT PREMIUM PAYMENT SCHEME

**Issue:** This submission outlines the arrangements for the introduction of the Renewable Heat Premium Payment scheme (RHPP) and seeks approval of the attached Press Release to announce the scheme. (Press Release cleared with Press Office).

**Timing:** Urgent – scheme is ready to launch 23 May 2012.

**Need for referral to the Executive:** Not at this time.

**Presentational Issues:** None

**Freedom of Information:** None

**Programme for Government:** A target for renewable heat is in the Programme for Government.

**Financial Implications:** HMT has advised that £25m of AME is available over the spending period 2011-2015 for a Northern Ireland RHI.

**Statutory Equality Obligation:** An equality screening form has been completed for this policy.

**Legislation Implications:** None.

**Recommendation:** It is recommended that you note this briefing and approve the Press Release (Annex A).

## Background

You approved the introduction of the Northern Ireland Renewable Heat Incentive (RHI) and the associated Renewable Heat Premium Payment Scheme (RHPP) on 11 April 2012. The RHI needs EU State Aid approval before it can proceed and while we have had favourable feedback from the EU it is unlikely that formal approval will be given before late June 2012. Secondary legislation will then need to be introduced before the RHI can commence. The RHPP however does not require State Aid approval or legislation and I have therefore been putting in place the necessary arrangements to launch the scheme.

### NI Renewable Heat Premium Payments (NI RHPP)

2. The RHPP represents an interim approach to developing the renewable heat market in the domestic sector by providing a one off payment to assist with the capital costs of installing a renewable heating system.
3. A RHPP has been available in GB since last summer. DECC originally intended that the GB premium payment scheme would run until March 2012 and that a RHI for domestic consumers would then be introduced in Autumn 2012. However, DECC has recently announced publically that the RHPP scheme is to be extended and has privately indicated that a domestic RHI will not commence before Summer 2013.
4. The NI RHPP will therefore run for at least one year and the payments for the supported technologies are given in the table below.

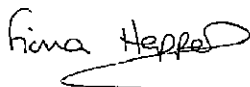
Technology	Support per unit (£)
Air Source Heat Pump	1700
Biomass boiler	2500
Ground Source Heat Pump	3500
Solar Thermal	320

5. The scheme will be managed within Energy Division in DETI. Applicants will submit an application and, if successful, will be issued with a time bound voucher which will guarantee them the appropriate payment once the approved technology has been suitably installed, subject to certain terms and conditions.
6. In line with GB, all installations under the scheme will be required to be certified under the UK Microgeneration Certification Scheme (MCS) and installed by MCS accredited installers. In addition, as part of the conditions of the scheme, applicants will be required to provide routine information on the technology installed, to assist in developing the understanding of renewable heat performance and use, in the domestic sector.
7. DETI will conduct a number of verification checks during the application procedure and prior to payment, to ensure that eligibility criteria are met and the risk of fraudulent claims is minimised. This will include ensuring that applicants are not receiving double funding under other schemes such as the DSD Boiler Scrappage Scheme.

8. Those availing of the RHPP will remain eligible for any longer term tariffs which are introduced for domestic consumers under phase two of the RHI. However, the amount paid under any subsequent RHI will be reduced accordingly so that all customers are equally incentivised. For example, a domestic customer who has availed of the RHPP may only receive 18 years of an RHI rather than the standard 20 years (where the value of the RHPP is equivalent to 2 years of RHI payments).
9. The scheme will be ready to launch from Wednesday 23 May.
10. You will be aware that at the Executive meeting on 5 April, Ministers agreed controls to judge the appropriateness and value for money of all campaign advertising by departments. Therefore advertising must now be developed in line with a new Protocol and be agreed with the Government Advertising Unit (GAU) and have Ministerial approval.
11. As the development of a full advertising programme will therefore take some time and as an announcement is eagerly awaited, I would suggest that the scheme is initially launched by the release of a Press Notice. At that stage we will also contact all those who have already registered an interest in the scheme with the Department. We will then liaise with GAU to consider how the scheme can best be promoted – perhaps in tandem with the RHI depending on the timing of that scheme.

#### Recommendation

12. It is recommended that you note this briefing and, if content, approve the attached Press Release (**Annex A**) for release on Wednesday 23 May. (Press Release has been cleared with Press Office).



**FIONA HEPPER**  
Ext 29215

cc: David Sterling  
David Thomson  
David McCune  
Clare Baxter  
Joanne McCutcheon  
Peter Hutchinson  
Dan Sinton  
Susan Stewart  
Glynis Aiken