

From: [Murphy, Shane](#)
To: [Cooper, Trevor](#)
Subject: RE: NI Renewable Heat Incentive and Renewable Heat Premium Payments
Date: 11 June 2015 16:14:25

Trevor,

Think I can make the 9:30am meeting. However, I'm afraid what I have seen on this only makes it look worse if anything.

Seems that the requirement for regular or periodic review (tariffs and technologies etc) was not just part of the DFP approval but also:

- Part of the Business Case
- Part of DETI Policy (set out in consultation docs)
- Part of the submission to the Minister on proceeding with the scheme
- Part of the State Aid Notification

The 1st Review was to have taken place in 2014 with changes in place by 2015 (April I think) and this is referred to in various documents.

Given the position we are in I suspect we will have to show DFP that we are taking some action to address the underlying situation if we are to stand a chance of them "giving us a break" on this one.

Suggestions to Press Energy On:

- 1) Was that 2014 Review taken forward. If not, could the review could be kicked off urgently to help demonstrate to DFP that we are keen to rectify the situation as soon as possible.
- 2) It seems that for the non-domestic RHI scheme plants need to gain DETI accreditation before they become eligible. At a quick look at the regs there do not appear to be any timeframe in the regs for DETI to confirm or reject accreditation applications. We should ask Energy to look at the scope of suspending the accreditation of new applications to "stop the problem getting worse" while tariffs are reviewed. At the very least they might consider slowing down new accreditations.
- 3) Energy should consider withdrawing the promotion of the scheme to minimise adding to the problem.

If we could do some or all of the above, or some things akin to these, then perhaps we might just be able to paint this as not unreasonable efforts to improve the VFM of the scheme as it has become more apparent that the subsidy was capable of being reduced, and that we are taking action in the intervening period to curtail entering into new commitments until more appropriate tariffs are set. If we can't show any such action then our efforts to demonstrate VFM will only look like words.

Doesn't help that this comes hot on the heels of Invest NI launching Innovation Vouchers in advance on DFP approval – cannot even try pass this off as a one off gaffe.

Shane

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From: Cooper, Trevor

Sent: 11 June 2015 15:50

To: Murphy, Shane

Subject: RE: NI Renewable Heat Incentive and Renewable Heat Premium Payments

Shane

Im meeting dfp at 9.30 tomorrow on this with stuart Wightman – might you be free?

Or any points that we might suggest as how we might approach vfm issue (and maybe the overall vfm is the only one that we might be able to cling to but it feels a pretty weak line to me)?

I have a meeting at clare house that i am leaving for now so if you can come along tomorrow great

Trevor

From: Murphy, Shane

Sent: 11 June 2015 15:29

To: Cooper, Trevor

Subject: NI Renewable Heat Incentive and Renewable Heat Premium Payments

Tariff review: Not only a DFP condition but DETI Policy recommended to the Minister – see para

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