

From: [Wightman, Stuart](#)
To: [Cooper, Trevor](#)
Subject: Fw: Commiments
Date: 19 October 2015 18:51:26

Sorry, I've just realised that I haven't provided the correct lifetime figure for Domestic RHI capital. I'll send you a revised table in the morning.

Stuart

Sent from my BlackBerry 10 smartphone.

From: Wightman, Stuart
Sent: Monday, 19 October 2015 17:31
To: Cooper, Trevor
Cc: Hughes, Seamus
Subject: FW: Commiments

Trevor

Please see split below. Unfortunately, the Domestic RHI Business Case doesn't include a longer term forecast to give a lifetime comparison. It does however provide a previous DECC lifetime cost for the GB Scheme of £22Billion – the Barnett consequential of this would be £660m. I've also included a line showing the proposed funding profiles set out in the original 2012 business case for the Non Domestic and RHPP schemes. It was assumed that funding would increase by £5m/yr to reach a maximum of £42m in 2019/2020. Running this figure forward to 2040 would give a total funding requirement of £1Billion. I also include the relevant extract from the 2012 Business Case. It is worth highlighting that we're currently forecasting expenditure of £51.3m in 2020/21 which is well within the originally envisaged Barnett share of the original DECC figures of £70m.

Happy to discuss.

Thanks

Stuart

Affordability

1.1 As previously stated, funding of £25m is available to 2015/16 for this scheme, following that DETI will need to secure additional funding from DECC to continue the scheme to 2020. DECC has indicated that the GB scheme will be open to new entrants to 2020 and in the GB State Aid application noted that the expected subsidies paid in 2020 in the GB RHI to be in the order of £2.3bn, a 3% pro-rata share of these subsidies is £70m.

1.2 In developing the NI RHI, CEPA assumed a funding profile of £2m/£4m/£7m/£12 (as indicated) and then an additional £5m per annum to 2020, i.e. £17m/£22m/£27m. This is less than an incremental 3% share of GB expected spend. The expected subsidy spend for the DETI policy in 2020 is £38m, again this is within both the profiled budget assumed by CEPA and the share that could be expected through DECC.

1.3 HMT have already indicated that any spending commitments made via the initial NI RHI (i.e. through the £25m) will be met by ongoing RHI payments from HMT.

Forecast	14/15	15/16	16/17	17/18	18/19	19/20	Total (6yrs)	Total (Lifetime)
Domestic Capital	1,140,000	1,015,000	1,560,000	2,760,000	3,510,000	3,802,500	13,787,500	12,647,500
Domestic Resource	245,085	1,877,000	2,580,000	3,180,000	5,436,000	7,248,500	20,566,585	57,255,000
Non Domestic Resource	6,540,280	21,470,985	31,609,727	36,445,177	39,925,052	42,295,247	178,286,466	849,735,614
Oct 2015 AME Forecast	7,925,365	24,362,985	35,749,727	42,385,177	48,871,052	53,346,247	212,640,551	919,638,114
Included in Domestic RHI Business Case	6,500,000	9,500,000	13,500,000	18,500,000	24,500,000	31,000,000	103,500,000	Not Available
"Barnett's" % of GB RHI Forecast	6,496,400	13,976,200	19,966,000	26,283,600	36,236,800	49,170,000	152,129,000	660,000,000*
Included in 2012 Non Domestic RHI Business Case	12,000,000	17,000,000	22,000,000	27,000,000	32,000,000	37,000,000	147,000,000	987,000,000**

*Taken from paragraph 10.4 in Domestic RHI Business Case.

**Original business case assumed a £42m requirement in 2020/21. Lifetime figure has been estimated by continuing this £42m requirement for 20 years until 2039/40.

From: Wightman, Stuart
Sent: 19 October 2015 16:02
To: Cooper, Trevor
Cc: Hughes, Seamus
Subject: RE: Commiments

Trevor

As discussed, please see split below of forecast Non Domestic RHI expenditure. One caveat is that this forecast includes an estimate of 130 applications for this month (October 15). We've already received 185. This is likely to increase the expenditure' for the retrospective' period.

Happy to discuss.

Thanks, Stuart

Non Domestic Forecast	15/16	16/17	17/18	18/19	19/20	20/21	6 Year Total	20 Year Total
Previous Commitments (Nov12 – March15)	13,058,742	13,058,742	13,058,742	13,058,742	13,058,742	13,058,742	77,229,074	261,174,840
New Commitments (Apr15-Oct16)	7,377,576	11,412,108	11,412,108	11,412,108	11,412,108	11,412,108	64,438,116	227,664,029
New Commitments (Nov15-Mar16)	1,034,667	3,382,067	3,382,067	3,382,067	3,382,067	3,382,067	17,945,002	67,434,400

New Commitments (Apr16-Dec16)	-	3,477,450	4,565,790	4,565,790	4,565,790	4,565,790	21,740,610	91,036,440
Revised AME Forecast (Oct15)	21,470,985	31,330,367	32,418,707	2,418,707	32,418,707	32,418,707	182,476,178	647,309,709

From: Cooper, Trevor

Sent: 19 October 2015 15:42

To: Wightman, Stuart

Subject: Commimments

Stuart

Could you enter figures into this format please:-

15/16 16/17 20 year total

Non –Domestic

Previous Commitments

New Commitments

April to October 2015

New Commitments October 2015

March 2016

New Commitments March 2016

to December 2016