

From: [Coyne, Terence](#)
To: [McCoy, Laura](#); [McCormick, Andrew \(DFE\)](#)
Cc: [Cousins, Heather](#); [McCann, Brendan](#)
Subject: Re: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201
Date: 24 November 2016 17:00:26
Attachments: [image001.png](#)
[image002.gif](#)

And I left over a folder with the routine Ministerial correspondence at Annex D to Private Office for John Robinson

Regards

Terry

Sent from my BlackBerry 10 smartphone.

From: McCoy, Laura
Sent: Thursday, 24 November 2016 16:45
To: McCormick, Andrew (DFE)
Cc: Cousins, Heather; McCann, Brendan; Coyne, Terence
Subject: RE: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Andrew

Yes, email was copied to Private Office (see attached).

Thanks.

Laura

Laura McCoy

Permanent Secretarys Office
Department for the Economy
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9200 (ext: 29200)
TextRelay: 18001 028 9052 9200
Web: www.economy-ni.gov.uk



[NI Year of Food & Drink 2016](#)

Please consider the environment - do you really need to print this e-mail?

From: McCormick, Andrew (DFE)
Sent: 24 November 2016 16:41
To: McCoy, Laura

Cc: Cousins, Heather; McCann, Brendan; Coyne, Terence

Subject: Fw: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Just confirming - was this copied to Private Office yesterday (my request to that effect was not repeated in the final email)?

Many thanks.

Sent from my BlackBerry 10 smartphone.

From: McCormick, Andrew (DFE) <Andrew.McCormick@economy-ni.gov.uk>

Sent: Wednesday, 23 November 2016 15:00

To: Woods, Michael (DfE)

Cc: McCoy, Laura; Coyne, Terence; Cousins, Heather; Stewart, Chris (DFE); Marten, Lucy; Wightman, Stuart; McCann, Brendan; Close, Margaret; McFarlane, Iain; Bagdonaite, Dovile

Subject: RE: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Many thanks

Laura – final form and issue please.

From: Woods, Michael (DfE)

Sent: 23 November 2016 15:00

To: McCormick, Andrew (DFE)

Cc: McCoy, Laura; Coyne, Terence; Cousins, Heather; Stewart, Chris (DFE); Marten, Lucy; Wightman, Stuart; McCann, Brendan; Close, Margaret; McFarlane, Iain; Bagdonaite, Dovile

Subject: RE: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Andrew

Yes i think this covers my point

Michael Woods

Internal Audit

Department for the Economy

Adelaide House

39-49 Adelaide Street

Belfast, BT2 8FD

Tel: 028 9025 7410 (ext: 57410)

TextRelay: 18001 028 9025 7410

Web: www.economy-ni.gov.uk



[NI Year of Food & Drink 2016](#)

Please consider the environment - do you really need to print this e-mail?

From: McCormick, Andrew (DFE)
Sent: 23 November 2016 14:58
To: Woods, Michael (DfE)
Cc: McCoy, Laura; Coyne, Terence; Cousins, Heather; Stewart, Chris (DFE); Marten, Lucy; Wightman, Stuart; McCann, Brendan; Close, Margaret; McFarlane, Iain
Subject: FW: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Importance: High

Do the changes in the attached address your point.

Many thanks.

From: McCormick, Andrew (DFE)
Sent: 23 November 2016 13:33
To: McCoy, Laura
Cc: Coyne, Terence; Woods, Michael (DfE); Cousins, Heather; Stewart, Chris (DFE); Marten, Lucy; Wightman, Stuart; McCann, Brendan; Close, Margaret
Subject: FW: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Importance: High

Final form please – just hold issuing until I have had a word with Michael Woods.

When issued, please copy to Private Office and indeed Terry/Margaret should probably print the Ministerial correspondence we are sending and give John Robinson another folder with those papers.

Many thanks.

From: Coyne, Terence
Sent: 23 November 2016 10:18
To: McCormick, Andrew (DFE)
Cc: McCoy, Laura; Close, Margaret; Cousins, Heather; Marten, Lucy; Wightman, Stuart; Stewart, Chris (DFE); Woods, Michael (DfE); McFarlane, Iain; McCann, Brendan
Subject: FW: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Importance: High

Andrew

Following input from Energy colleagues at point 7, I have updated the draft letter to the PAC Chairman (attached). The draft also includes the revised response at point 2 which you cleared last night. Changes have been accepted and drafting notes removed.

I have also suggested that the final sentence of the response at point 5 be deleted in light of Michael Woods's e mail below. Paragraphs 6.10 and 6.11 of the 2011 feasibility study do show that concerns were expressed about cost control at the feasibility study stage and some measures to mitigate the risk were discussed but not acted on, so I think that perhaps it is better to remain silent on the point. I have tracked a change to reflect this.

Regards

Terry

Terence Coyne

Governance Accountability and Casework
Department for the Economy
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 02890529406 (ext: 29406)
Mob: Personal information redacted by the RHI Inquiry
TextRelay: 18001 02890529406
Web: www.economy-ni.gov.uk



[NI Year of Food & Drink 2016](#)

Please consider the environment - do you really need to print this e-mail?

-----Original Message-----

From: Woods, Michael (DfE)
Sent: 22 November 2016 13:55
To: McCormick, Andrew (DFE); Close, Margaret
Cc: Marten, Lucy; McCoy, Laura; Cousins, Heather; Coyne, Terence; Stewart, Chris (DFE); McFarlane, Iain; Wightman, Stuart; McCann, Brendan
Subject: RE: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Andrew

At the time of the 2011 OFGEM feasibility study the Department's regulations had not yet been finalised and the feasibility study was based on an assumption that the NI scheme would follow the GB approach. The feasibility study actually stated that DETI was concerned to stay within budget para 6.10 & 6.11

"6.10. DETI have expressed some concerns around the need for controls to be developed to ensure the costs of the NI RHI remain within budget.

6.11. Ofgem would propose that the joint DETI-Ofgem Administration Board be continued after the Development Phase has been completed into an ongoing operational board to monitor scheme operations, costs and uptake. The Board could meet on a quarterly basis and review scheme expenditure, uptake, technologies and capacities of installations. This board could give additional scrutiny to scheme functions and identify trends in uptake to proactively make adjustments to the scheme to control uptake steadily instead of taking a reactive approach should scheme costs grow beyond the proposed budget."

There is no evidence of the Admin Board or the proposed Budget Management Committee

operating in the way described to monitor trends and take a reactive approach. I would also make the point that OFGEM also stated in the feasibility study at 10.1 that

"During the feasibility study phase we identified risks associated with this project. We would normally submit this assessment and our proposed course of action to an independent risk assessment. However given that the key risk identified were linked to DETI's final policy decision (in particular whether to allow Air Source Heat Pumps, bioliquids and Heavy Industry Sites in the scheme from the launch date), we agreed with DETI that we would defer such an independent assessment once the final policy decisions have been taken with respect to all key policy areas." One of those action related to the review of risk in the NI scheme.

Michael Woods
Internal Audit
Department for the Economy
Adelaide House
39-49 Adelaide Street
Belfast, BT2 8FD
Tel: 028 9025 7410 (ext: 57410)
TextRelay: 18001 028 9025 7410
Web: www.economy-ni.gov.uk

Please consider the environment - do you really need to print this e-mail?

-----Original Message-----

From: McCormick, Andrew (DFE)
Sent: 22 November 2016 10:04
To: Close, Margaret
Cc: Marten, Lucy; McCoy, Laura; Cousins, Heather; Coyne, Terence; Stewart, Chris (DFE); McFarlane, Iain; Wightman, Stuart; McCann, Brendan; Woods, Michael (DfE)
Subject: FW: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Many thanks.

Please see my DNs and amendments - happy to discuss.

-----Original Message-----

From: Close, Margaret
Sent: 22 November 2016 09:37
To: McCormick, Andrew (DFE)
Cc: Marten, Lucy; McCoy, Laura; Cousins, Heather; Coyne, Terence; Stewart, Chris (DFE); McFarlane, Iain; Wightman, Stuart; McCann, Brendan
Subject: Emailing: Follow up letter to Andrew McCormick following meeting on 7 November 201

Andrew

Please disregard previous email. Apologies.

Please find draft response for your consideration and clearance.

Kind regards

Margaret

Your message is ready to be sent with the following file or link attachments:

Follow up letter to Andrew McCormick following meeting on 7 November 201

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.