

From: [McFarlane, Iain](#)
To: [Linton, Rachel](#)
Subject: RE: DOMESTIC RENEWABLE HEAT INCENTIVE
Date: 08 September 2014 15:50:08

Rachel,

Yes thanks
Iain

From: Linton, Rachel
Sent: 08 September 2014 15:36
To: McFarlane, Iain
Cc: Hutchinson, Lee-Anne
Subject: FW: DOMESTIC RENEWABLE HEAT INCENTIVE

Iain,

Please see below and attached response provided by Stuart Wightman in relation to the DFP Supply queries on RHI.

Grateful if you could confirm if you are content for these to be forwarded to DFP.

Happy to discuss.

Many thanks,

Rachel

Rachel Linton

Accountability & Casework
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9893 (ext: 29893)
TextRelay: 18001 028 9052 9893
Web: www.detini.gov.uk

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

From: Wightman, Stuart
Sent: 08 September 2014 15:19
To: Linton, Rachel
Cc: McCay, Davina; Hughes, Seamus
Subject: RE: DOMESTIC RENEWABLE HEAT INCENTIVE

Rachel, please find response(s) below to DFP queries on Domestic RHI Business Case.

Happy to discuss.

Thx

Stuart

NPV Calculations

I would be grateful if the NPV calculations could be provided in order to support the assessment of the preferred option. These should be calculated for either the life of the system or when a major service/overhaul is planned.

The NPV calculations were carried out by the Consultants Cambridge Economic Policy Associates Ltd and

Ricardo – AEA. The results are summarised in Section 7.2 (page 55) of the Consultants' Report (Annex A of the Business case). This commission finished in June 2013. The Consultants' spreadsheet behind these figures is attached for information.

Risks and Non Monetary Sections

The risks and non-monetary sections in the business case currently contain no information on the comparison of options. I would appreciate it if this information could be supplied.

The Business Case outlines the risks and non-monetary costs and benefits of introducing a renewable heat scheme in NI and doesn't distinguish between different options. This is because the risks and non-monetary costs/benefits apply to all the RHI scheme options. It is recognised that the risks of paying incorrect subsidy and fraud will increase the longer the scheme is in place. So those options with life-time tariffs will have the greatest risk and those with no tariffs (upfront support only) will have the least risk. The preferred option (RHPP + 7 yr) falls in the middle band for these two risks. Regular reviews of subsidy levels and effective fraud prevention measures will help manage these risks.

From: Linton, Rachel
Sent: 08 September 2014 12:55
To: Wightman, Stuart
Cc: McFarlane, Iain
Subject: FW: DOMESTIC RENEWABLE HEAT INCENTIVE
Importance: High

Stuart,

Please see attached from DFP in relation to RHI. I have spoken to Sarah Benton in DFP Supply who clarified that the only information required before resubmission is the following:

NPV Calculations

I would be grateful if the NPV calculations could be provided in order to support the assessment of the preferred option. These should be calculated for either the life of the system or when a major service/overhaul is planned.

Risks and Non Monetary Sections

The risks and non-monetary sections in the business case currently contain no information on

the comparison of options. I would appreciate it if this information could be supplied.

The information required under 'BRP' and 'Objectives' can be supplied at a later date.

Grateful if you could provide me with the additional information as soon as possible and I will forward directly to DFP.

If you have any queries please do not hesitate to contact me.

Kind regards,

Rachel

Rachel Linton

Accountability & Casework
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9893 (ext: 29893)
TextRelay: 18001 028 9052 9893
Web: www.detini.gov.uk

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

From: Benton, Sarah

Sent: 08 September 2014 12:41

To: McFarlane, Iain

Cc: Cooper, Trevor; Houston, Michael; Phillips, David; Scott, Michelle; Millar, Angela (DFP); Linton, Rachel

Subject: DOMESTIC RENEWABLE HEAT INCENTIVE

Sarah Benton

PSD Supply

Room S18

Rathgael House

Tel 02891 858217 (68217)