

From: [Wightman, Stuart](#)
To: [Marten, Lucy](#); [Woods, Michael \(DFE\)](#)
Cc: [Hughes, Seamus](#); [Willis, Adele](#)
Subject: Fw: Outstanding Information - NI RHI [OFFICIAL]
Date: 15 October 2016 12:12:36
Attachments: [image001.png](#)
[image002.gif](#)
[Category 4 PwC cases - summary of Ofgem Actions.xls](#)

Fyi

Sent from my BlackBerry 10 smartphone.

From: Edmund Ward <Edmund.Ward@ofgem.gov.uk>
Sent: Saturday, 15 October 2016 00:00
To: Wightman, Stuart
Cc: Chris Poulton; Gareth John; Stewart, Chris (DFE); McCann, Brendan; Teri Clifton; Jane Pierce
Subject: RE: Outstanding Information - NI RHI [OFFICIAL]

Stuart

Further to the email below, please find attached a copy of our summary of category 4 cases. We've grouped these by site as per the inspections conducted by PwC, although you'll note that compliance actions/next steps have been itemised against each individual installation in line with regulations.

You'll note that for 5 sites, we would expect to hold payments to some or all of the installations on site while we investigate further.

A further 4 sites are already subject to payment holds or have no payments currently being made as they are yet to be accredited, or are already subject to amendment activity.

A further 5 sites are not expected to have payment holds put in place, based on the information received from PwC, although in some of these cases we will request further information and act on the basis of that further information.

We've removed NIRHI numbers so that we can share this via email, but we can provide a copy via GSI on Monday.

We'd be happy to arrange a meeting to discuss any of our proposed actions in more detail, if required. I note we're already expecting to talk on Monday so perhaps we could arrange a suitable time, at which relevant parties could discuss.

Kind regards
Edmund

From: Edmund Ward
Sent: 14 October 2016 15:49
To: Wightman, Stuart
Cc: Chris Poulton; Gareth John; Stewart, Chris (DFE); McCann, Brendan; Teri Clifton; Jane Pierce
Subject: RE: Outstanding Information - NI RHI [OFFICIAL]

Stuart

Thanks for your email. As you say, we have been in daily dialogue over the last few weeks on a number of topics, but thanks for flagging via email your current priorities. You acknowledged when we spoke briefly on Wednesday that we are currently providing a level of engagement significantly above our overall resourcing profile, but we confirmed that we would continue to support in this regard and that we're happy to continue to go over and above to ensure that these matters are progressed as a priority.

I've responded in detail below but you'll note that we are on track to provide the further detailed summaries of category 4 cases (and the immediate actions we understand are appropriate in this regard in line with regulations), and notes flagging possible areas where you may wish to carefully consider changes to DfE guidance, later today [post-email note – apologies, as per detail below this should have referred to Monday, not Friday].

Category 4 reports

For clarity, we only received the Category 4 reports on 5 October, and as mentioned in our meeting in Belfast on 6 October and in our follow-up email update on 11 October, there are a number of reports where there is insufficient clarity to put payments on hold. For example, some key findings are caveated such as being described as 'appears *unlikely*', 'not used *during the audit*', '*probably* a commercial space'. We are still expecting to provide a summary of all Category 4 cases later today, so we can confirm that this is on track as per your email below.

We will of course support any instruction the Department may wish to make regarding payments to installations under the scheme, but we would suggest this is discussed (we are happy to prioritise this) following your considerations so that we can clarify how this would be implemented in practice, and to reflect any impacts this might have on our administration in line with Administrative Arrangements currently in place.

Category 2 and 3 reports

I received the detailed category 2 and 3 reports on 12 October 2016, and we are preparing a view on these. However, as per our agreed prioritisation we are focusing on providing an update on category 4 reports today, and I can confirm we will provide an update on Category 2 and 3 reports by Wednesday of next week. Please advise if you would like us to prepare anything in advance of that. However, we do need to reiterate as per previous dialogue and correspondence that while there are certainly a number of areas where it may benefit us to discuss next steps in line with the Departments view, given the nature of the reports and the issues identified it seems at this stage that there will be many sites where it would not be appropriate for us to take actions involving holding payments until, at the least, we had contacted participants to confirm information.

Revised guidelines

To be clear, we have not agreed to provide "revised guidance" – as you are aware, while we are happy to support and engage on this, Guidance is published by DfE. We did agree to highlight areas of the guidance which could be potentially strengthened (e.g. on defining commercial use and proportion of non dom usage in a single building) – subject to legal input on both sides.

There was originally no deadline on this but we will provide an initial overview of some potential areas by COP Monday.

Arrangements and information

We note we sent through revised arrangements and provided suggested areas for us to discuss, before receiving this email yesterday. We have attached our current governance schedule highlighting methods of communication and governance that are already in place. We have previously discussed the draft Terms of Reference for the monthly Board, and expect these to be finalised shortly.

As you will see, there are a number of KPI measures already in place which are reported through the Board pack and we would welcome a conversation, in line with the admin arrangements, as to any other key measures you feel are appropriate. We are intending to include this information as part of a supplementary document to the Administrative Arrangements which sets out the practical engagement and deliverables between the two parties.

I'm conscious we've had a number of emails from DfE over the last 24 hours and we will respond separately on these for clarity.

Regards

Edmund

From: Wightman, Stuart [<mailto:Stuart.Wightman@economy-ni.gov.uk>]
Sent: 13 October 2016 18:07
To: Edmund Ward
Cc: Chris Poulton; Gareth John; Stewart, Chris (DFE); McCann, Brendan
Subject: Outstanding Information - NI RHI

Edmund

Outstanding information from Ofgem

There are now several pieces of work which have been requested from Ofgem over the past couple of weeks that are still outstanding. You have agreed to provide this information several days ago, but despite our follow up, these remain unresolved. I realise we have all been working on briefing for the PAC, etc and appreciate everyone's efforts in this regard. However, there are two crucial items outstanding which were requested from you – most recently at our meeting last Thursday (6 October).

(i) Ofgem Response to PWC Site Visits

Firstly, you agreed to provide the Department s with a **detailed breakdown** of what action Ofgem would be taking with the **Category 4 site inspections**. To date, you have provided lines for PAC confirming that payments might be withheld for some of these installations pending further investigation. We have yet to be provided with a table stating the action being taken against each Category 4 site. You agreed to