

**From:** [McCoy, Laura](#) on behalf of [Mills, John \(DETI\)](#)  
**To:** [DfE Private Office](#)  
**Cc:** [McCormick, Andrew \(DFE\)](#); [Stewart, Chris \(DFE\)](#); [Wightman, Stuart](#); [Hughes, Seamus](#); [McCrea, Ian](#); [Kerr, Sean](#); [DfE Energy Mailbox](#)  
**Subject:** FW: COR-0050-2016 : NI RHI - Scheme Closure  
**Date:** 22 February 2016 10:53:44  
**Attachments:** [image001.gif](#)  
[Draft response COR 0050-2016 Jonathan McGroggan.tr5](#)  
[Draft response COR 0050-2016 Jonathan McGroggan.DOCX](#)  
**Importance:** High

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Private Office

Please see attached advice and draft reply from John Mills.

Regards,

**Laura McCoy**

Personal Secretary

Department of Enterprise, Trade & Investment

Netherleigh

Massey Avenue

Belfast, BT4 2JP

Tel: 028 9052 9200 (ext: 29200)

TextRelay: 18001 028 9052 9200

Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

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

From: [private.office@detini.gov.uk](mailto:private.office@detini.gov.uk) [<mailto:private.office@detini.gov.uk>]

Sent: 08 February 2016 16:41

To: Mills, John (DETI)

Cc: McLaughlin, Christine (DETI); Hegarty, Damien; Wightman, Stuart; Hughes, Seamus; Stevenson, Valerie (DETI Private Office); Dolaghan, Paul; McCormick, Andrew (DETI); Kerr, Sean; Rooney, Eugene; Stewart, Chris (DETI); DG\_DETI Press Office; DETI Energy Mailbox

Subject: COR-0050-2016 : NI RHI - Scheme Closure

Raised By: Mr Jonathan McGroggan

Reference: COR-0050-2016

Subject: COR-0050-2016 : NI RHI - Scheme Closure

Referred To: JOHN MILLS

Date referred: 08/02/2016

**ACTION REQUIRED**

Please provide advice and a draft reply for signature by the PS\Minister

To be with [private.office@detini.gov.uk](mailto:private.office@detini.gov.uk) not later than 15/02/2016

For further information etc. contact:

Damien Hegarty  
Private Office  
29209

Copied To For Information:

McLaughlin, Christine (DETI); Hegarty, Damien; Wightman, Stuart; Hughes, Seamus; PO CC Energy Division

Energy



**From:** John Mills

**Date:** 22 February 2016

Copy Distribution List Below

**To:** 1. Timothy Cairns  
2. Jonathan Bell MLA

### **COR 0050 2016 NI RENEWABLE HEAT INCENTIVE – SCHEME CLOSURE**

**Issue:** Correspondence from Jonathan McGroggan on RHI closure.

**Timing:** Due for reply 15 February.

**Need for referral to the Executive:** N/A

**Presentational Issues:** High interest from stakeholders and the media in relation to closure of the RHI schemes.

**Freedom of Information:** Not disclosable.

**Financial Implications:** Closure required to prevent further pressure on budgets.

**Statutory Equality Obligations:** N/A.

**PFG/PSA implications:** NI Renewable Heat Incentive supports the PfG interim target of 4% renewable heat by 2015 and the SEF 10% target by 2020.

**Legislation Implications:** Closure to take effect from 29 February.

**Recommendation:** That you respond to Mr McGroggan using the draft provided at **Annex A**.

**Background**

1. Mr McGrogan from F G Plumbing, Heating and Renewables Ltd has written to you on foot of your Press Release advising of the proposed closure of the RHI as the available budget has been exhausted. He is seeking clarification on the closure date for the RHI and cites the difficulties that closure will present for his company with the potential loss of £1m and 25 jobs. His immediate concern is around having enough time to enable ongoing jobs and those with confirmed orders to be completed, (**Annex B**).

**Recommendation**

2. That you respond to Mr McGrogan using the draft provided at **Annex A**.



**JOHN MILLS**  
**ENERGY DIVISION**

Distribution List

cc: Andrew McCormick  
Chris Stewart  
Stuart Wightman  
Seamus Hughes  
Ian McCrea MLA APS  
Sean Kerr  
Neth Energy

## ANNEX A

Jonathan McGroggan  
FG Plumbing, Heating & Renewables Ltd

By email

[info@fjplumbingandheating.co.uk](mailto:info@fjplumbingandheating.co.uk)

xx February 2016

Dear Mr McGroggan

Thank you for your email of 8 February 2016 in relation to the proposed closure of the Northern Ireland Renewable Heat Incentive, (RHI)

Increased demand for both RHI schemes, together with reductions in available funding means the available budget for new applications has been exhausted. To meet RHI commitments for existing installations, significant levels of additional funding will have to be found from within the NI Executive's budget for the next five years to address the current deficit. Additional funding was sought but could not be secured from Treasury.

In the circumstances I have no choice but to close both RHI schemes. There appears to be some confusion within the industry that the non domestic RHI scheme was already closing on 31 March 2016. This is not the case. The legislation provided for the scheme to continue indefinitely, that is why this recent legislation has been needed.

I can confirm that the relevant legislation was passed by the Assembly on 15 February 2016. A Notice will be published confirming both RHI schemes will close from 29 February 2016. Any renewable heating systems installed, commissioned and applied for on or before this date will be eligible for RHI payments.

I must emphasise that this is not a decision that I have taken lightly. I recognise the impact that this will have on homeowners, the local economy and wider industry. However, my immediate priority is to prevent further financial pressures in the short term. Once this is achieved I will consider wider proposals on the scheme's long term future.

I still believe that the renewable sector can play a part in helping to reduce our CO2 emissions and bring investment to our economy. I am therefore open to suggestions on how we might engage with developers and installers and others to see where we might go in the future on renewable heat. This might involve consulting on the long term position, looking at developments in other jurisdictions or considering options.

**Jonathan Bell, MLA**

Minister for the Department for Enterprise Trade and Investment

## ANNEX B

**From:** "FG Plumbing & Heating" <[info@fgplumbingandheating.co.uk](mailto:info@fgplumbingandheating.co.uk)>  
**Date:** 8 February 2016 at 08:35:29 GMT-5  
**To:** Jonathan Bell <[jonathanbell620@hotmail.com](mailto:jonathanbell620@hotmail.com)>, [jonathan.bell@MLA.niassembly.gov.uk](mailto:jonathan.bell@MLA.niassembly.gov.uk)  
**Cc:** [ian.milne@mla.niassembly.gov.uk](mailto:ian.milne@mla.niassembly.gov.uk), [patsymcglonemla@yahoo.ie](mailto:patsymcglonemla@yahoo.ie),  
[ask@patsymcglone.com](mailto:ask@patsymcglone.com), Paul Frew <[paul.frew@mla.niassembly.gov.uk](mailto:paul.frew@mla.niassembly.gov.uk)>, Fearghal  
McKinney MLA <[fearghal.mckinney@mla.niassembly.gov.uk](mailto:fearghal.mckinney@mla.niassembly.gov.uk)>, [admin@sinnfein.ie](mailto:admin@sinnfein.ie),  
[megan.fearon@MLA.niassembly.gov.uk](mailto:megan.fearon@MLA.niassembly.gov.uk), [paul.qivan@mla.niassembly.gov.uk](mailto:paul.qivan@mla.niassembly.gov.uk),  
[gordon.dunne@mla.niassembly.gov.uk](mailto:gordon.dunne@mla.niassembly.gov.uk), [david.mcilveen@mla.niassembly.gov.uk](mailto:david.mcilveen@mla.niassembly.gov.uk),  
[daithimckay@mla.niassembly.gov.uk](mailto:daithimckay@mla.niassembly.gov.uk), Personal information redacted by the RHI Inquiry [williamhy@dup-belfast.co.uk](mailto:williamhy@dup-belfast.co.uk),  
[william.humphrey@MLA.niassembly.gov.uk](mailto:william.humphrey@MLA.niassembly.gov.uk), [steven.agnev@mla.niassembly.gov.uk](mailto:steven.agnev@mla.niassembly.gov.uk),  
[markh.durkan@mla.niassembly.gov.uk](mailto:markh.durkan@mla.niassembly.gov.uk), Personal information redacted by the RHI Inquiry [brid.curran@mla.niassembly.gov.uk](mailto:brid.curran@mla.niassembly.gov.uk),  
[martin.mcguinness@mla.niassembly.gov.uk](mailto:martin.mcguinness@mla.niassembly.gov.uk), [basil.mccrea@mla.niassembly.gov.uk](mailto:basil.mccrea@mla.niassembly.gov.uk), Kirsty  
McClay <[info@ni21.com](mailto:info@ni21.com)>  
**Subject:** NI RHI - Scheme Closure

Hi Jonathan

We are heating and plumbing company and for the last few years we have been installing heat pumps and biomass boilers, with the assistance of the RHI scheme, for both domestic and commercial heat systems.

We need clarification on the date for the closure of the domestic and commercial RHI asap.

There are a lot on conflicting stories out there i.e. two days time, next week, 31st March 2016, etc

If the scheme was to close today and our current jobs cancelled we would stand to lose over £100,000.00 i.e. biomass boilers, pellet stores, heat pumps, boreholes, ground loops, etc in place but not finished.

If we keep working and ordering for work, already in place, to be carried out between now and the 31st March 2016 but the scheme closed before we got the work completed and the RHI application submitted we would stand to lose over £1,000,000.00.

While losing over £100,000.00 would be difficult to take to say the least, losing over £1,000,000.00 would put us out of business with the loss of at least 25 jobs. That is why it is imperative that we get a date to work too so we can review what we can complete.

The jobs ongoing at the moment are both domestic and commercial including self build houses, apartment blocks, poultry houses, offices and workshops. We our hoping for enough time to complete work on jobs we have confirmed orders for.

We need a confirmed date of the closure of the RHI asap.

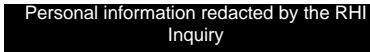
Regards

Jonathan McGrogan

**FG Plumbing, Heating & Renewables Ltd.**

*Renewable Energy Solutions*

T: **028 7938 7024**

M:  Personal information redacted by the RHI Inquiry