

**From:** [Coyne, Terence](#)  
**To:** [Murphy, Shane](#); [Montgomery, Paul](#); [McMurray, Stephen](#); [McCann, Brendan](#); [Moore, Stephen \(DfE\)](#)  
**Subject:** FW: PwC Report  
**Date:** 09 January 2017 15:09:25  
**Attachments:** [image001.png](#)

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Colleagues

Mark Cockburn from CEPA had telephoned me this morning in relation to some amendments to the original report prepared by PwC on the operation of the scheme. Mark had previously provided some thoughts to PAC on how the costs of the scheme could be reduced (CEPA letter of 2 December 2016 – I can supply a copy if this would be helpful).

Mark has sent me the e mail below in relation to State Aids. I think we already have that covered. During the telephone conversation Mark also mentioned that RHI applications in Scotland and Wales are running at twice the level of applications in England and that average spend per installation in Scotland and Wales is also comparable with average spend in Northern Ireland. I mentioned the former point to Paul earlier. Mark wondered if comparisons with expenditure under the scheme in Wales and Scotland (more rural economies) may assist with discussions with HMT.

Regards

Terry

## Terence Coyne

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**From:** Mark Cockburn [mailto:[mark.cockburn@cepa.co.uk](mailto:mark.cockburn@cepa.co.uk)]  
**Sent:** 09 January 2017 14:29  
**To:** Coyne, Terence  
**Subject:** RE: PwC Report

Terry

Another thought I had, in terms of justifying a reduction in tariff, is the States Aids angle. Arguably the level of subsidy received is much greater than that necessary just to incentivise a

change from fossil fuels to renewables. So in effect, this is subsidizing the underlying (agricultural) activity, which has the potential to distort trade within the EU. Such payments need to be repaid.

You may already be on to this, but it may be worth having someone take a look at.

Kind regards

Mark

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**From:** Coyne, Terence [<mailto:Terence.Coyne@economy-ni.gov.uk>]  
**Sent:** 09 January 2017 13:55  
**To:** Mark Cockburn <[mark.cockburn@cepa.co.uk](mailto:mark.cockburn@cepa.co.uk)>  
**Cc:** McCann, Brendan <[Brendan.McCann@economy-ni.gov.uk](mailto:Brendan.McCann@economy-ni.gov.uk)>  
**Subject:** PwC Report

Mark

Thanks for phoning me this morning.

The point on which PwC would welcome further clarity relates to the consideration of the guidance on multiple installations and how this compared to GB.

Regards

Terry

**Terence Coyne**

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