

From: [Adair, Joanne](#)
To: [Moore, Stephen \(DfE\)](#); [Marten, Lucy](#)
Cc: [Murray, Amanda](#)
Subject: RHI - reply to State aid unit request for info re the tariff change announcement by DETI in late summer / early autumn 2015
Date: 16 January 2017 11:16:00
Attachments: [image001.png](#)

Stephen

The following press release issues on 8 September 2015. It references: 'the success of the non-domestic scheme and an unprecedented increase in application numbers changes are proposed to introduce tiered tariffs for new biomass heating systems from 4 November 2015'.

<http://webarchive.proni.gov.uk/20150928010304/http://www.northernireland.gov.uk/index/media-centre/news-departments/news-deti/news-deti-080915-changes-to-the.htm>

Joanne

From: Moore, Stephen (DfE)
Sent: 13 January 2017 11:11
To: Adair, Joanne; Marten, Lucy
Cc: Murray, Amanda
Subject: FW: RHI - Tariff change announcement by DETI in late summer / early autumn 2015

Joanne / Lucy

Apologies. Accidentally sent my original email to Joanne McClements in TEO. She has deleted this from her system.

Grateful if you could consider my query below.

Also, as you can easily see, I am not happy about the State aid comments in the RHI Business case addendum. I am not planning to say anything to Stuart about these, so grateful if you don't share these with Stuart.

Stephen

Stephen Moore

State Aid Unit
Department for the Economy
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NEW - 'State aid: A Beginner's Guide for Public Bodies in Northern Ireland' can now be accessed through the DFE Internet site: <https://www.economy-ni.gov.uk/publications/state-aid-beginners-guide-public-bodies-northern-ireland>

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

From: Moore, Stephen (DFE)
Sent: 13 January 2017 10:45
To: McClements, Joanne; Marten, Lucy
Cc: Murray, Amanda
Subject: RHI - Tariff change announcement by DETI in late summer / early autumn 2015

Joanne / Lucy

As I interpret the facts, although there was a clear trend upwards, the first big spike in applications in September 2015 happened after the Minister approved policy proposals to introduce a tiered biomass tariff.

See the RHI business case addendum – para 4.10

“It was in early May 2015, after 2 exceptionally high months (and following market intelligence which identified the poultry industry as the driving force behind the increased applications) that the Department started to develop policy proposals to address what it concluded was a new situation (in a demand led scheme it is hard to see how a reaction can be developed so there is no lag between evidence of changed circumstances and any response). These proposals were developed in May/June and submitted for approval in July. Following consideration, in September, the Minister and ETI Committee approved policy proposals to introduce a tiered biomass tariff.”

What did DETI actually say at the time (i.e. was there a press release) and what have we said publicly about this since then.

I want to put a concise explanation into the State aid notification that explains what was actually happening and why the first and second spikes occurred.

Thanks

Stephen

PS – See para 3.2 – This is simply not true. The fact the scheme was not implemented until November 2012 cannot be blamed on State aid. I think if the EC saw this they would be very unhappy. The State aid approval for this scheme was routine and in line with normal approval timescales. We pre-notified on 21 December 2011 (see attached) and obtained the Commission’s formal approval on 12 June 2012.

Stephen Moore

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