

From: [Cooper, Trevor](#)
To: [McCoy, Laura](#)
Subject: UPDATE ON ISSUES
Date: 14 August 2015 16:21:00

Eugene

RHI

1) Alan and Shane have been working on numbers in terms of arriving at a positive NPV in terms of april to period when we are seeking approvals to cover. Shane explained approach to DFP in meeting on 12 August. It was agreed at this meeting that when we have a draft business case that covers VFM we should share it with DFP as **a draft position** for discussion. Main point they raised was that whilst we might be able to demonstrate VFM it may not be "best VFM". I have discussed this with Iain and suggest that we try to cover this point by looking at point in time at which forecasts were showing spend to be outside the potential budget envelope (and the later this is the better) – and look at it in the context of when we commenced action to address the tariff point as we have been taking all steps to ensure fastest possible response – so the relevant period in which there was overcompensation may be relatively short (although this does not address whether we could/should have introduced degression when communicated by DECC (possible defence on this point here may be no indication at that time that budget would be an issue as scheme was underspending and indeed budget was reduced in-year).

Second point on this is budget position – we have got a response from DECC which answers some, but not all of issues – bernie has follow-on questions which we would hope decc can address – best to get contact we could speak to and bernie has email for John Mills to send on this. Supply agreed that we separately as required in terms of timing send a draft note to them in relation to budget position and they would discuss with us position/how we may take forward. Bernie and Iain can liaise on this.

Pay Remit

2) Advice with Andrew (and hard copy original papers) and cc'd to you (Bernie provided input on this if there are queries) – to go to our Minister and then Mike Brenan/DFP Minister.

Radox

3) Invest NI CEO sent sub requesting that paper be put to Executive on Radox projects – you are cc'd into advice to Andrew that sub does not actually contain supporting information that would justify an approach to Exec. I am unsure if Anndrew has had a chance to speak to CEO/others on this.

Accountability/Governance DFE Workstream

4) DFE accountability/alb oversight project – we have submitted progress report to board – biggest issue emerging is potential resource required to deliver – we will keep a close eye on this and escalate if required but there is a lot to do in this workstream when its broken down into our understanding of constituent elements. We met with Paul and his team to update them on progress – his view was no need to send anyone to represent position of workstream at the meeting as other worksteams do not normally attend.

Sustainable Use of Poultry Litter

5) DFP approval received – however they are seeking a number of explicit assurances from DETI. I have discussed with Iain how we may approach their requests and he will run past you and Wendy as panel members.

Gas to West

6) DFP has confirmed that they do not need to approve again – minutes to be finalised – you

wanted to carefully review the actions in the draft minutes around in particular legal advice/reliance on technical experts/reliance on Utility Regulator etc.