

From: [Smith, Alan](#)
To: [McMurray, Stephen](#)
Cc: [Dukelow, Victor](#); [Murphy, Shane](#)
Subject: Numbers affected by moving to new tariff option 2
Date: 16 January 2017 10:56:56

Stephen,

Based on average historical running on my sample of 1810, the numbers operating on below tier, above cap and in between are roughly as follows:

less than tier	tier to cap	above cap
279	710	819
15%	39%	45%

Therefore 15% will not be affected at all by the new tariff. Above the tier, subsidies will fall. The following table shows the maximum impact on subsidies for participants operating at different heat levels between options 1 and 2.

Subsidy to 99kW boiler under option 1 and 2 at different running rates

	@ 15%	@ cap	@100% running
	tier		
Option 1	£8,429	£25,848	£56,371
Option 2	£8,429	£12,464	£12,464
Difference	0	£13,384	£43,907

Roughly 39% would lose between zero and £13,384, while 45% will lose between £13,384 to £43,907 assuming running rates stay the same.

Best regards,

Alan

From: [Smith, Alan](#)
To: [McMurray, Stephen](#)
Cc: [Dukelow, Victor](#); [Murphy, Shane](#)
Subject: FW: Numbers affected by moving to new tariff option 2
Date: 16 January 2017 11:02:46

Stephen, typo in figure in last line corrected.

Alan

From: Smith, Alan
Sent: 16 January 2017 10:57
To: McMurray, Stephen
Cc: Dukelow, Victor; Murphy, Shane
Subject: Numbers affected by moving to new tariff option 2

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