

**From:** [Hepper, Fiona](#)  
**To:** [McLaughlin, Christine](#)  
**Cc:** [McCutcheon, Joanne](#); [Stewart, Susan](#); [Neth\\_Energy](#); [Aiken, Glynis](#); [Stevenson, Valerie](#); [Hegarty, Damien](#)  
**Subject:** FW: COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments  
**Date:** 06 October 2011 17:29:40  
**Attachments:** [COR 1204 Min Comments.pdf](#)  
[Draft response to Phillip Hughes.docx](#)

---

[Christine](#)  
[See tracked change](#)  
[Fiona](#)

## **Fiona Hepper**

Senior Management  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9215 (ext: 29215)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

---

**From:** McLaughlin, Christine  
**Sent:** 06 October 2011 17:13  
**To:** McCutcheon, Joanne  
**Cc:** Hepper, Fiona; Hutchinson, Graeme; Stewart, Susan; Neth\_Energy; Aiken, Glynis; Stevenson, Valerie; Hegarty, Damien  
**Subject:** COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments

I refer to COR case 1204/2011 Re: Renewable Heat Incentive.

The Minister has made the following comments:

### **“ Update letter consultation closed”**

Grateful for a revised draft response only (letter attached) to reach Private Office no later than  
**close of play tomorrow Friday 7 October 2011**

## **Christine McLaughlin**

Private Office  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9222 (ext: 29222)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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



Department of

Enterprise, Trade  
and Investment

www.detini.gov.uk

**From:** Joanne McCutcheon  
Renewable Heat Branch

**Date:** 13 September 2011

1. Andrew Crawford
2. Arlene Foster MLA

**COR 1204/2011:** RENEWABLE HEAT INCENTIVE FOR NORTHERN  
IRELAND

**Issue:** Mr Phillip Hughes of Killeen Hardware has written to you following the publication of the consultation on the Renewable Heat Incentive for Northern Ireland.

**Timing:** Routine

**Need for referral to the Executive:** Not applicable at this stage.

**Presentational Issues:** None.

**Freedom of Information:** Not applicable.

**Financial Implications:** HMT has advised that £25m of AME is available over the spending period for the Northern Ireland RHI.

**Legislation Implications:** Subordinate legislation is required for the introduction and implementation of the Northern Ireland RHI.

**PSA/PFG Implications:** None at present, but it is likely that new PSA targets in relation to renewable heat may have to be developed.

**Statutory Equality Obligations:** Not applicable.

Copy Distribution List Below

*How did the ROB include them in their scheme? AR 2/19*

*Response attached.*

*Update letter Arruthur*

*closed*

*7/10*

*JP 5/10*

*ie Wood show*

*20/9*

**Recommendation:** That you reply to Mr Hughes, using the draft attached at Annex B.

## Background

Mr Phillip Hughes of Killen Hardware has written to you welcoming the publication of the consultation document on the Northern Ireland Renewable Heat Incentive (RHI) and including a couple of comments on the proposed scheme.

2. Killeen Hardware is situated in Armagh and is a family run company specialising in bathrooms, doors and gardening equipment but also catering for all kinds of DIY, professional tools and accessories. In terms of renewable heat equipment, the company sells and installs wood burning stoves.

## Consultation on the Northern Ireland RHI

3. You will be aware that the public consultation on the Northern Ireland RHI was launched on 20 July and is open for comment until 3 October 2011. The consultation outlines proposals for a Northern Ireland RHI designed to increase the uptake of renewable heating technologies in line with the target of 10% set in the Strategic Energy Framework. The consultation covers a range of issues including support for heavy industrial sites, payments for the domestic sector and a call for evidence on deep geothermal heat.
4. There has been significant interest in the consultation document and as a result DETI Energy Division held two information sessions on Thursday, 8 September with nearly 80 people in attendance in total. A third event has also been arranged for Tuesday, 20 September, with 40 people expected to attend. Further to this, Energy Division officials are scheduled to speak at an event arranged by Action Renewables on the RHI on Wednesday, 14 September.
5. Mr Hughes' letter (attached at **Annex A**) welcomes the proposed scheme and agrees that the RHI will assist in increasing the uptake of renewable heat technologies such as air source heat pumps, biomass boilers and solar thermal panels. In his letter, Mr Hughes raises two queries;
  - Whether the subsidy or grant will solely be available to national retailers (he cites an example of home insulation, most likely a GB led scheme which partnered with B&Q); and,
  - Why wood burning stoves are not included within the scheme.
6. These queries are addressed within the draft response at **Annex B**. The scheme is designed to provide support for those installing the equipment and therefore will not be restricted to subsidy for national retailers like the previous scheme Mr Hughes refers to, this will provide opportunities for local companies within renewable heating. In terms of wood burning

stoves, these are not included within the scheme (nor are they included in the GB RHI) as they are traditionally a secondary heating source and would not necessarily be in place of oil or gas heating. In addition, the measuring of heat from this technology would be problematic and costly.

7. Mr Hughes is, of course, encouraged to respond to the consultation with his comments and views.

### **Recommendation**

8. I recommend that you respond to Mr Hughes using the draft letter attached at **Annex B**.

**(signed)**  
**JOANNE McCUTCHEON**  
**RENEWABLE HEAT BRANCH**  
**(Ext 29425)**

### Distribution List:

cc: David Sterling  
David Thomson  
Fiona Hepper (o/r)  
Clare Baxter  
Peter Hutchinson  
Susan Stewart  
Glynis Aiken  
Neth Energy  
Press Office  
Alastair Ross MLA, APS

From the Office of the Minister



NETHERLEIGH  
MASSEY AVENUE  
BELFAST  
BT4 2JP  
Tel: 028 90 529452  
Fax: 028 90 529545  
E Mail: [private.office@detini.gov.uk](mailto:private.office@detini.gov.uk)  
**Our Ref: DETI COR 1204/11**

Mr Philip Hughes  
Killeen Hardware  
1 Killycoppie Road  
ARMAGH  
BT60 2AG

October 2011

Dear ...

## **RENEWABLE HEAT INCENTIVE FOR NORTHERN IRELAND**

Thank you for your letter of 5 September 2011 regarding the Renewable Heat Incentive (RHI) for Northern Ireland. The Minister was pleased to learn of your support for the scheme which the Department is currently consulting on.

The Northern Ireland RHI has been designed to increase the level of renewable heat in Northern Ireland and to encourage the uptake of new technologies in homes and businesses here. By increasing the level of renewable heat and reducing the dependence of imported fossil fuels there will be benefits in terms of Northern Ireland's fuel security and carbon emission. The Northern Ireland RHI also presents opportunities for businesses, such as your own, within this emerging sector.

In terms of your queries, firstly can I assure you that this scheme is designed to be open to all and will not be restricted to any specific retailers. The incentive will be paid to the owner of the renewable heat equipment and, whilst there will be certain standards and eligibility requirements on the installed equipment, it is not the Department's intention to limit the RHI to specific retailers.

In relation to your second point, you are correct that as it stands wood burning stoves would not be eligible for support under the NI RHI. There are a number of reasons for this. Firstly, wood burning stoves are often used as a secondary heating source, complementing existing heating systems (either fossil fuels or renewable) rather than replacing them. Secondly, in order to make payments it will be necessary to measure actual heat usage, for wood burning stoves it would be difficult to do this and may be costly to monitor and administer. Finally there is only a limited amount of funding for the NI RHI, with £25m available over the next 4 years. The scheme as it stands is designed to utilise this funding in the most efficient way; if further technologies were to be incentivised this would impact on funding for other existing tariffs.

Of course the Department would welcome your views on the consultation and on the issues you raised in your letter. ~~While the consultation period formally closed on~~ ~~The consultation period is open until Monday, 3 October, if you wish to make a~~ ~~return please do so and send~~ ~~and responses should be sent~~ to [ni.rhi@detini.gov.uk](mailto:ni.rhi@detini.gov.uk); further information can be found on the DETI website. ~~I would encourage you to~~ ~~respond to the consultation document if possible.~~

Thank you for your letter and I trust that you have found this response helpful.

**GLYNIS AIKEN**

Private Secretary to Arlene Foster MLA

**From:** Stewart, Susan  
**To:** [Stevenson, Valerie](#)  
**Cc:** [Private Office DETI](#); [Hepper, Fiona](#); [McCutcheon, Joanne](#)  
**Subject:** FW: COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments  
**Date:** 07 October 2011 11:46:00  
**Attachments:** [Draft response to Phillip Hughes.docx](#)

---

Valerie

Please see attached updated response

Thanks

Susan

**Susan Stewart**

Sustainable Energy  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9212 (ext: 29212)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

---

**From:** Hepper, Fiona  
**Sent:** 07 October 2011 11:45  
**To:** Stewart, Susan  
**Subject:** FW: COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments

Susan

Ta - I made a further tweak to what you had added in and sent it on  
F

**Fiona Hepper**

Senior Management  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9215 (ext: 29215)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

---

**From:** Hepper, Fiona



**Sent:** 07 October 2011 11:44  
**To:** Stevenson, Valerie  
**Subject:** FW: COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments

Valerie  
See attached a further minor change  
Thanks  
F

**Fiona Hepper**  
Senior Management  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9215 (ext: 29215)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

Susan

---

**From:** Hepper, Fiona  
**Sent:** 06 October 2011 17:30  
**To:** McLaughlin, Christine  
**Cc:** McCutcheon, Joanne; Stewart, Susan; Neth\_Energy; Aiken, Glynis; Stevenson, Valerie; Hegarty, Damien  
**Subject:** FW: COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments

Christine  
See tracked change  
Fiona

**Fiona Hepper**  
Senior Management  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9215 (ext: 29215)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

---

**From:** McLaughlin, Christine  
**Sent:** 06 October 2011 17:13  
**To:** McCutcheon, Joanne  
**Cc:** Hepper, Fiona; Hutchinson, Graeme; Stewart, Susan; Neth\_Energy; Aiken, Glynis; Stevenson, Valerie; Hegarty, Damien

**Subject:** COR case 1204/2011 Re: Renewable Heat Incentive Ministers comments

I refer to COR case 1204/2011 Re: Renewable Heat Incentive.

The Minister has made the following comments:

**“ Update letter consultation closed”**

Grateful for a revised draft response only (letter attached) to reach Private Office no later than

**close of play tomorrow Friday 7 October 2011**

**Christine McLaughlin**

Private Office  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9222 (ext: 29222)  
Textphone: 028 9052 9304  
Web: [www.detini.gov.uk](http://www.detini.gov.uk)

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

From the Office of the Minister



NETHERLEIGH  
MASSEY AVENUE  
BELFAST  
BT4 2JP  
Tel: 028 90 529452  
Fax: 028 90 529545  
E Mail: [private.office@detini.gov.uk](mailto:private.office@detini.gov.uk)  
**Our Ref: DETI COR 1204/11**

Mr Philip Hughes  
Killeen Hardware  
1 Killycoppie Road  
ARMAGH  
BT60 2AG

October 2011

Dear ...

## **RENEWABLE HEAT INCENTIVE FOR NORTHERN IRELAND**

Thank you for your letter of 5 September 2011 regarding the Renewable Heat Incentive (RHI) for Northern Ireland. The Minister was pleased to learn of your support for the scheme. ~~in which the Department is currently consulting on carried out a recent consultation which is now closed.~~

The Northern Ireland RHI has been designed to increase the level of renewable heat in Northern Ireland and to encourage the uptake of new technologies in homes and businesses here. By increasing the level of renewable heat and reducing the dependence of imported fossil fuels there will be benefits in terms of Northern Ireland's fuel security and carbon emission. The Northern Ireland RHI also presents opportunities for businesses, such as your own, within this emerging sector.

In terms of your queries, firstly can I assure you that this scheme is designed to be open to all and will not be restricted to any specific retailers. The incentive will be paid to the owner of the renewable heat equipment and, whilst there will be certain standards and eligibility requirements on the installed equipment, it is not the Department's intention to limit the RHI to specific retailers.

In relation to your second point, you are correct that as it stands wood burning stoves would not be eligible for support under the NI RHI. There are a number of reasons for this. Firstly, wood burning stoves are often used as a secondary heating source, complementing existing heating systems (either fossil fuels or renewable) rather than replacing them. Secondly, in order to make payments it will be necessary to measure actual heat usage, for wood burning stoves it would be difficult to do this and may be costly to monitor and administer. Finally there is only a limited amount of funding for the NI RHI, with £25m available over the next 4 years. The scheme as it stands is designed to utilise this funding in the most

efficient way; if further technologies were to be incentivised this would impact on funding for other existing tariffs.

~~Of course the Department would welcome your views on the consultation and on the issues you raised in your letter. While the consultation period formally closed on~~  
~~The consultation period is open until Monday, 3 October 2011, the Department is~~  
~~happy to take your views on the consultation and if you wish to make a return please~~  
~~do so and send and responses should be sent to [ni.rhi@detini.gov.uk](mailto:ni.rhi@detini.gov.uk); further~~  
information can be found on the DETI website. ~~I would encourage you to respond to~~  
~~the consultation document if possible.~~

Thank you for your letter and I trust that you have found this response helpful.

**GLYNIS AIKEN**

Private Secretary to Arlene Foster MLA