

minister: for your consideration revised draft response  
and if content approval for PS/Signature

DFE-30536



Department of  
**Enterprise, Trade  
and Investment**

www.deti.gov.uk

Chitambar  
07.10.11

**From:** Joanne McCutcheon  
Renewable Heat Branch

**Date:** 13 September 2011

1. Andrew Crawford
2. Arlene Foster MLA

Copy Distribution List Below

How did the ROb include things in their scheme? AR 2/9  
ie wood stock  
Response attached.  
2/9

**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.

update letter consultation

closed

**Timing:** Routine

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

\* 7/10  
updated draft response attached  
Chitambar  
07.10.11

**Presentational Issues:** None.

**Freedom of Information:** Not applicable.

\* 12/10  
Content of Sign

**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.

**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)**

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