

**From:** McCutcheon, Joanne  
**To:** ["Keith Avis"](#)  
**Cc:** [Luis Castro](#); [Matthew Harnack](#); [Hutchinson, Peter](#)  
**Subject:** RE: NI RHI: Next Step Issues  
**Date:** 28 May 2012 14:16:00  
**Attachments:** [OTOP.png](#)  
[image001.gif](#)

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Keith

Sorry, I tried to return your call but you must be out of the office. Please see my responses attached to your e-mail below.

I'm not in the office this afternoon but will be here again tomorrow morning.

Regards

Joanne

## Joanne McCutcheon

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

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**From:** Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]  
**Sent:** 24 May 2012 16:50  
**To:** McCutcheon, Joanne  
**Cc:** Luis Castro; Matthew Harnack  
**Subject:** NI RHI: Next Step Issues

Joanne cc: Luis, Matthew

Further to our telephone conversation on Wednesday there are a couple of issues that I would like to pick up on that will hopefully enable us to move forward:

### Agency Services Agreement:

We spoke about arranging a meeting between ourselves and our respective legal teams to scope this out. As discussed, I will send you a framework document over the next day or so that will give you a steer on the type of things that we would need this agreement to cover. [That's great, once we have sight of this we can arrange a meeting/conference call.](#)

### Timeline:

I appreciate that your legal team are working on the draft regulations which will be sent to our own legal team shortly. Of course, we are happy to offer our views on this, but it would help us greatly to have details of your early milestones and associated dates, so that we can plan our input into your process. [Latest draft will be sent to you shortly - we would appreciate a fairly quick](#)

turnaround. However, I'm presuming that since you saw them earlier in the process this should not be too onerous. If this is not the case I'm happy to discuss. We are hoping to hear from EU by end of June - depending on timing we may start the process to lay the regulations before assembly recess (early July).

Issues Meeting:

Having talked to colleagues across Ofgem we wondered whether you would find it useful to come across to Ofgem for a meeting with those covering the GB operation, the IT process and the issues from a legal perspective. Given the need to move forward quickly, if this is an option that you would like to take up, grateful if you could let me have some potential dates from 7 June and I will co-ordinate things from this end. [Good idea but I'll have to get back to you on this - we are short on the ground in terms of Personnel and have just launched our Premium Payment Scheme - likely to be late June before we could get across.](#)

Costs:

Appreciate that Fiona's letter confirmed that you wished to enter into an Agency Services Agreement with Ofgem, but so that we can work with you on the agreement, I would be grateful if you could confirm to us in writing that you are content for us to start to incur resourcing cost now. Of course the ASA will set the terms of the agreement but we will need assurance of funding now so that we can work with you on pulling this together.

[Happy to incur costs once staff are in place and work commences - is recruitment complete?](#)

Legal Contingency:

I am grateful for your verbal assurance that DETI would accept the legal risk for the scheme, holding the contingent liability (£1million) in the case of legal challenge. We would need to have this confirmed in writing. This can be covered by the ASA, but I wanted to confirm my understanding of the position at this stage.

[You'll recall from our conference call that we indicated that DETI would accept the legal risk for the scheme - I can confirm that this is still the case.](#)

I hope that this is helpful. I did attempt to contact you today to talk this through, but I understand that you were at the Assembly, so I will let you consider these points and stand ready to discuss and/or received your further email.

Best regards

Keith

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