

From: [McCutcheon, Joanne](#)
To: [Michelle Murdoch](#)
Cc: [Hutchinson, Peter](#); [Stewart, Susan](#)
Subject: FW: Ongoing questions concerning NI RHI guidance.
Date: 28 August 2012 11:34:33
Attachments: [image001.gif](#)
[image002.png](#)

Michelle
Please see responses below.
Thanks
Joanne

Joanne McCutcheon

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www.ni2012.com

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

From: Michelle Murdoch [mailto:Michelle.Murdoch@ofgem.gov.uk]
Sent: 24 August 2012 15:25
To: Hutchinson, Peter
Cc: McCutcheon, Joanne; Stewart, Susan; Paul Heigl; Rita Chohan; Keith Avis; Marcus Porter; William Elliott
Subject: Ongoing questions concerning NI RHI guidance.

Dear Peter,

Please find a list below of more questions regarding the Guidance as well as some confirmations of decisions made concerning previous issues. Hopefully there will not be too many more!

- References to the DECC RHI policy document referred to numerous times throughout the Guidance will be removed from the document. Peter to draft a final policy document (to be cleared by the Minister) to outline the DETI RHI policy. This leaves us with two choices; 1) we can refer to the, as yet, undrafted DETI RHI policy doc in the NI Guidance, 2) we can simply delete those sections of the Guidance that currently refer to the DECC RHI policy doc. and not replace those references with anything. If we do the former then we need a firm commitment from DETI that the DETI RHI policy doc. will cover off those areas in the Guidance which currently refer to the DECC RHI policy document and that it will be completed in time for the beginning of the scheme. If we do

the latter then obviously the guidance will be less useful and informative for would be participants. Please confirm which way you wish me to go on this.

We will go with Option 2 i.e. delete the sections

- 1.13 and 1.15 both vols. – Reporting and Additional Information. Do we have a decision as yet concerning when reports will be published on DETI’s website and what they will contain? 1.13 and 1.15 contain information that goes beyond that which DETI is obliged to publish in accordance with Regulation 51.

Guidance should state that we will publish in line with Reg51 - we will do this on a quarterly basis.

- Vol 2 4.38 “As set out above, solid biomass plants with an installation capacity of less than 45kW are allowed to use contaminated solid biomass fuels, but the energy content of these fuels cannot exceed 10 per cent of the energy content of the biomass fuels used in the quarter.”..the regs do not actually provide for this. Consequently, this whole section may need deleting? I understand that Will Elliott raised this in his email to you earlier this week.

Think we should remain consistent with GB – we will need to amend our Regs.

- **FYI** Vol 2 5.25 The table of NIRHI tariffs will be updated on an annual basis, with the updated rates commencing on 1 April and ending on 31 March of the following year. The tariff for your installation will be adjusted by the percentage increase or decrease in the UK Retail Price Index (RPI) for the previous calendar year (the resulting figure being rounded to the tenth of a penny, with any twentieth of a penny being rounded upwards). DECC intend to amend the GB regulations such that tariff rates will be rounded up to a 100th of a penny. The Regulations, as drafted, provide that for a tariff of around 1p the rate will remain unchanged unless RPI is in excess of 5% in any year. For example, under the GB scheme despite the RPI being 4.8% for 2011, the large biomass tariff (1p/kWh) has not increased in 2012. While I appreciate that your tariff rates are significantly different, is this an amendment you would consider making to the NI regulations?

Yes, think we should remain consistent with GB

- Vol. 2 6.7 “As part of DETI’s reporting obligations under the Regulations DETI will publish sustainability information in aggregate form, on a quarterly and annual basis, on the DETI website.” Unlike under the GB Regs, this is not a requirement of the NI Regs. On the basis that sustainability requirements only apply to biogas producers under the NI Regs (as opposed to the GB Regs where they apply to biogas producers and solid biomass >1MWth) and the understanding that there are no biogas producers in NI, I assume that this is not something you are intending to do. However, I would be grateful for your confirmation.

We would be intending to publish sustainability information if required, i.e. large biogas users/developers come forward (however unlikely), if a large biomass (plus 1MW) is introduced in future years sustainability reporting will be important.

- Vol. 2 6.8 “At this stage there are no minimum criteria for Sustainability Reporting as this is for information purposes only. However, you should be aware that while the current requirement is merely to report on the sustainability of fuels, the NI Executive has stated that they will look to consult on the possible introduction of mandatory sustainability criteria for biomass from 2013 onwards as part of any changes to be made

to the NIRHI from phase two.” Does this accurately reflect DETI’s intention? If so, has DETI made a public commitment to consult on the issue?

Suggest it reads

“At this stage there are no minimum criteria for Sustainability Reporting as this is for information purposes only. However, you should be aware that while the current requirement is merely to report on the sustainability of fuels, if appropriate, DETI will consult on the possible introduction of mandatory sustainability criteria for biomass from 2013 onwards, this will be dependent on any changes to be made to the NIRHI from phase two.”

I look forward to your feedback, preferably by cop Tuesday at the latest and wish you all a great weekend.

Kind Regards

Michelle Murdoch

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