From: Kerr, Sean

To: <u>Cahoon, Gillian</u>; <u>Ingram, James</u>; <u>Private Office DETI</u>

Cc: Stevenson, Valerie (DETI Private Office)

Subject: FW: N.I RHI closer

Date: 08 February 2016 16:04:55

Attachments: <u>image001.png</u> ATT00001.htm

image002.png ATT00002.htm image003.png ATT00003.htm image004.png ATT00004.htm image005.png ATT00005.htm

nidsr 9780337998973 en.pdf

ATT00006.htm

James

Please register as INV.

Sean Kerr

Private Secretary to Minister Bell

Department of Enterprise, Trade and Investment

Netherleigh

Massey Avenue

Belfast, BT4 2JP

Tel: 028 90529452

Mob: Personal information red RHI Inquiry

E-mail: sean.kerr@detini.gov.uk

From: Jonathan Bell [mailto:jonathanbell620@hotmail.com]

Sent: 08 February 2016 15:42

To: cairnstimothy@redacted by the RHI Inquiry; Kerr, Sean

Subject: Fwd: N.I RHI closer

Sent from my iPad

Begin forwarded message:

From: Connel McMullan < ConnelMcMullan@alternativeheat.co.uk >

Date: 8 February 2016 at 09:04:00 GMT-5

To: "jonathanbell620@hotmail.com" <jonathanbell620@hotmail.com>

Cc: "jonathan.bell@MLA.niassembly.gov.uk" <jonathan.bell@MLA.niassembly.gov.uk>

Subject: N.I RHI closer

Hi Jonathan,

I am contacting you in relation to the anticipated forthcoming closure of the N.I RHI.

We were aware that the uptake on the commercial RHI scheme was exceeding expectations and changes were required and introduced in Nov 2015 to help

control spend.

In the attached document the revised tiered tariffs and caps were introduced on 18th Nov and as per page 3 of the attached document they were supposed to be secured until 31st March 2016.

We have received information this morning suggesting the scheme is likely to be closed as of next week can you please advise if this is true?

There are a large number of projects underway at present where clients have invested heavily in renewable technology's in the anticipation of availing of the RHI and these will not be completed by next week. A large number of the clients investing in these technologys have secured funding which they will not be able to repay without assistance from the RHI.

Companys like ourselves had believed the scheme was secure until at least the 31st March 2016 based on the attached document and had been trying to come to terms with the job losses that will inevitably take place when the scheme does end. With the news that the scheme could end as early as next week we are left with further devastation in that we have hundreds of thousands of pounds of stock due in over the next few weeks for projects that will not go ahead without the RHI. Our company cannot afford to carry this level of stock.

As I am sure you are aware the news that the scheme is set to close is devastating for the industry but to push forward and terminate this scheme at a weeks' notice would be an absolute disaster and would lead to increased job losses and most certainly unnecessarily force a number of businesses into administration.

We would greatly appreciate the opportunity to meet with you and discuss this in more detail and would welcome a response with your thoughts one the same asap.

Kind Regards

Connel McMullan | Managing Director

Mobile

DETI MINISTER INVITATION CASES - ADVICE PROFORMA

Completed by: Stuart Wightman Tel: 29425

Date: 25 February 2015

INVITATION NUMBER:	INV 114 /2016
INVITATION FROM:	Connel McMullan, Managing Director of Alternative Heat
EVENT / MEETING:	Proposed closure of the RHI.
DATE OF EVENT / MEETING (IF KNOWN)	
PROPOSED VENUE:	Netherleigh/Parliament Buildings
REASONS TO ACCEPT THE	Reason to accept
INVITATION	Provides an opportunity to hear the views of the renewable heating sector on the impact of RHI closure, especially as there was no consultation.
	Alternative Heat is a significant player in the renewable heat industry in NI.
	In closing the RHI you said you would listen to views on the future.
	Reason to decline
	Alternative Heat whilst a significant player is only one of a large number of companies in Northern Ireland operating in the renewable heating sector.
	For consistency, agreeing to this meeting might imply acceptance of numerous others – with diary implications.
	The request was made before closure was confirmed and is based on a misunderstanding of the legislation.
	Arguably, any meeting on closure could not now alter the outcome (as opposed to discussions on the future of RHI).
ANY OTHER RELEVANT INFORMATION	
FOI STATUS OF ADVICE	Not disclosable.
RECOMMENDATION IF MINISTER SHOULD ATTEND / MEET (Yes / No)	No - A decline letter is attached.
PRIVATE OFFICE COMMENTS	
SPECIAL ADVISOR'S COMMENTS	
MINISTER'S DECISION	

DFE-351705

Draft Response – Decline

Connel McMullan Alternative Heat Ltd By email

connelmcmullan@alternativeheat.co.uk

xx February 2016

Dear

Thank you for your email of 8 February 2016 pointing out your concerns about the proposed closure of the RHI and the impact on the renewable heating sector.

The Assembly has now agreed the legislation to close the RHI and both schemes will close to new applications at 11.59 pm on Monday 29 February 2016. There seems to have been a misunderstanding that the scheme was to close on 31 March 2016 and I'm afraid this is not reflected in the legislation which provided no closure date. I had warned that measures might have to be taken last November if Treasury funding was reduced and, sadly, this was the case.

I must emphasise that this is not a decision that has been taken lightly. I recognise the impact that this will have on the local renewable heating industry. However, the available budget for new applications has been exhausted. Significant levels of additional funding are needed to meet existing RHI commitments and the Executive has to take into account the impact this will have on other priorities. My immediate priority has had to be to prevent further financial pressures in the short term.

DFE-351706

Unfortunately, as closure is already determined for inescapable financial reasons, I

am not sure I would be able to add anything at a meeting. However, once this has

been achieved I will consider wider proposals on the scheme's long term future and,

at that point, I would welcome your views and the views of others in the renewable

heat sector.

JONATHAN BELL MLA

MINISTER OF ENTERPRISE, TRADE AND INVESTMENT