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Subject: Bio fuel heating for NI SMEs
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Trevor

Just to bring you up to date on the subject of trying to find the best means of providing the required capital to enable potential clients (NI SMEs) to change their existing fossil fuel heating systems to our wood pellet fuel heating systems.

Following on from our last meeting, we have met with Geoff Smyth of Carbon Trust to discuss the general subject which was very positive and made each of us aware of each others view points. The main issue of availability of initial capital still stands taking all the available resources/inputs into account such as.

- DETINI Renewable Heat Incentive (RHI) scheme funding over 20 year life cycle
- Carbon Trust interest free loans over 4 years
- Green finance by Siemens Financial Services (loans with interest)
- BS Holdings Ltd wood pelleting heating systems design & engineering
- BS Holdings Ltd through life warranty and maintenance package

The Carbon Trust are limited by the pre-set criteria that they manage on behave of Invest NI to set the loan amounts and in most cases will fall short of the total amount needed to cover the initial capital expenditure needed.

The DETINIs RHI twenty year funding is adequate to cover the costs in conjunction with potential fuel savings but they are only available and on-going after the new systems are installed and operational.

The Green finance bank deals have interest rates that most do not want to pay or sign up to.

As the responsible heating design & engineering contractor for our NI SME clients we must advise them of the energy required to heat their buildings and business operational needs and table the financial benefits of the running cost in relation to the initial capital costs comparing low capital fossil fuel systems and relatively high running costs with relatively high capital bio fuel systems and relatively low running costs. The DETINI RHI target uptakes I believe are still well below expectation for NI SMEs.

It would be good to meet again to further discuss the issues and our progress on potential for exporting.

Look forward to hearing from you soon.

Regards//Wayne

Wayne Cullen
BS Holdings Ltd

Personal information redacted by the RHI Inquiry
