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To: [Baxter, Clare](#); [Wallwin, Judith](#); [Fullerton, Karen](#)
Cc: [Hepper, Fiona](#); [McCutcheon, Joanne](#)
Subject: FW: Launch of the Northern Ireland Renewable Heat Premium Payment Scheme
Date: 17 May 2012 09:36:00
Attachments: [image001.png](#)
[Launch of the Northern Ireland Renewable Heat Premium Payment Scheme.DOCX](#)

Press Office

Fiona asked me to reissue the attached submission to you as there was a small change to a figure in the table in the Press Release at Annex A.

Please note this is the version that will issue with the Minister clears – all figures are correct.

Apologies for any inconvenience.

Regards,

Laura McCoy

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www.ni2012.com

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



From: Fiona Hepper

Date: 16 May 2012

To: 1. Andrew Crawford
2. Arlene Foster MLA

Copy Distribution List below

LAUNCH OF THE NORTHERN IRELAND RENEWABLE HEAT PREMIUM PAYMENT SCHEME

Issue: This submission outlines the arrangements for the introduction of the Renewable Heat Premium Payment scheme (RHPP) and seeks approval of the attached Press Release to announce the scheme. (Press Release cleared with Press Office).

Timing: Urgent – scheme is ready to launch 23 May 2012.

Need for referral to the Executive: Not at this time.

Presentational Issues: None

Freedom of Information: None

Programme for Government: A target for renewable heat is in the Programme for Government.

Financial Implications: HMT has advised that £25m of AME is available over the spending period 2011-2015 for a Northern Ireland RHI.

Statutory Equality Obligation: An equality screening form has been completed for this policy.

Legislation Implications: None.

Recommendation: It is recommended that you note this briefing and approve the Press Release (Annex A).

Background

You approved the introduction of the Northern Ireland Renewable Heat Incentive (RHI) and the associated Renewable Heat Premium Payment Scheme (RHPP) on 11 April 2012. The RHI needs EU State Aid approval before it can proceed and while we have had favourable feedback from the EU it is unlikely that formal approval will be given before late June 2012. Secondary legislation will then need to be introduced before the RHI can commence. The RHPP however does not require State Aid approval or legislation and I have therefore been putting in place the necessary arrangements to launch the scheme.

NI Renewable Heat Premium Payments (NI RHPP)

2. The RHPP represents an interim approach to developing the renewable heat market in the domestic sector by providing a one off payment to assist with the capital costs of installing a renewable heating system.
3. A RHPP has been available in GB since last summer. DECC originally intended that the GB premium payment scheme would run until March 2012 and that a RHI for domestic consumers would then be introduced in Autumn 2012. However, DECC has recently announced publically that the RHPP scheme is to be extended and has privately indicated that a domestic RHI will not commence before Summer 2013.
4. The NI RHPP will therefore run for at least one year and the payments for the supported technologies are given in the table below.

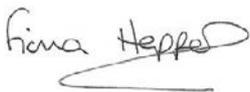
Technology	Support per unit (£)
Air Source Heat Pump	1700
Biomass boiler	2500
Ground Source Heat Pump	3500
Solar Thermal	320

5. The scheme will be managed within Energy Division in DETI. Applicants will submit an application and, if successful, will be issued with a time bound voucher which will guarantee them the appropriate payment once the approved technology has been suitably installed, subject to certain terms and conditions.
6. In line with GB, all installations under the scheme will be required to be certified under the UK Microgeneration Certification Scheme (MCS) and installed by MCS accredited installers. In addition, as part of the conditions of the scheme, applicants will be required to provide routine information on the technology installed, to assist in developing the understanding of renewable heat performance and use, in the domestic sector.
7. DETI will conduct a number of verification checks during the application procedure and prior to payment, to ensure that eligibility criteria are met and the risk of fraudulent claims is minimised. This will include ensuring that applicants are not receiving double funding under other schemes such as the DSD Boiler Scrappage Scheme.

8. Those availing of the RHPP will remain eligible for any longer term tariffs which are introduced for domestic consumers under phase two of the RHI. However, the amount paid under any subsequent RHI will be reduced accordingly so that all customers are equally incentivised. For example, a domestic customer who has availed of the RHPP may only receive 18 years of an RHI rather than the standard 20 years (where the value of the RHPP is equivalent to 2 years of RHI payments).
9. The scheme will be ready to launch from Wednesday 23 May.
10. You will be aware that at the Executive meeting on 5 April, Ministers agreed controls to judge the appropriateness and value for money of all campaign advertising by departments. Therefore advertising must now be developed in line with a new Protocol and be agreed with the Government Advertising Unit (GAU) and have Ministerial approval.
11. As the development of a full advertising programme will therefore take some time and as an announcement is eagerly awaited, I would suggest that the scheme is initially launched by the release of a Press Notice. At that stage we will also contact all those who have already registered an interest in the scheme with the Department. We will then liaise with GAU to consider how the scheme can best be promoted – perhaps in tandem with the RHI depending on the timing of that scheme.

Recommendation

12. It is recommended that you note this briefing and, if content, approve the attached Press Release (**Annex A**) for release on Wednesday 23 May. (Press Release has been cleared with Press Office).



FIONA HEPPER
Ext 29215

cc: David Sterling
David Thomson
David McCune
Clare Baxter
Joanne McCutcheon
Peter Hutchinson
Dan Sinton
Susan Stewart
Glynis Aiken

Annex A – Press Release

Embargoed until **xx May 2012**

Northern Ireland Renewable Heat Premium Payment Scheme

Starting today Northern Ireland householders will be able to obtain support towards the costs of installing a renewable energy heating system in their homes.

Launching the scheme, Enterprise Minister Arlene Foster said the move will offer local people real choice when it comes to heating their homes.

Arlene Foster said: “Although many householders have had the option of natural gas for a number of years not all can avail of this low carbon fossil fuel. This new scheme will allow all private sector domestic energy consumers to obtain generous financial support towards installing biomass boilers, heat pumps and thermal solar panels in place of existing fossil fuel heating systems.

“Northern Ireland homes account for 60% of our heat load which means they are vital in helping to achieve our target of 10% market share for renewable heat across Northern Ireland by 2020. So I would urge all those who are interested to make contact with my Department without delay.”

Concluding, the Minister said she hoped to make further announcements shortly regarding support for non domestic installations and longer term incentives.

“My Department is committed to the development of the renewable heat market and making sure that Northern Ireland’s heat market is more diverse, secure and sustainable. This Premium Payment scheme is the first of a number of initiatives which will demonstrate my Department’s long term commitment to this sector.”

The Northern Renewable Heat Premium Payment scheme (RHPP) will be open for applications from **XX May 2012**.

Notes to Editors

1. The Northern Renewable Heat Premium Payment scheme (RHPP) will be open for applications from **XXMay 2012**.
2. The levels of support under RHPP are:

Technology	Support per unit (£) in a dwelling
Air Source Heat Pump	1700
Biomass boiler	2500
Ground Source or Water Source Heat Pump	3500
Solar Thermal	320

3. Further information is available from DETI, Energy Division:

Online: www.detini.gov.uk/deti-energy-index.htm

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