

**From:** [McCoy, Laura](#) on behalf of [Hepper, Fiona](#)  
**To:** [DfE Private Office](#)  
**Cc:** [Sterling, David](#); [McCutcheon, Joanne](#); [Hutchinson, Peter](#); [Sinton, Dan](#); [DG\\_DET1 Press Office](#); [Aiken, Glynis](#); [Ross, Alastair](#); [Neth\\_Energy](#)  
**Subject:** FW: Correspondence -- Ref. Number: COR/490/2013 : RENEWABLE HEAT INCENTIVE  
**Date:** 10 October 2013 14:43:00  
**Attachments:** [image004.png](#)  
[COR 490 2013 - Renewable Heat Incentive.DOCX](#)

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Private Office

Please see attached advice and draft reply from Fiona Hepper for the attention of the Minister.

Regards,

## Laura McCoy

Personal Secretary  
Department of Enterprise, Trade & Investment  
Netherleigh  
Massey Avenue  
Belfast, BT4 2JP  
Tel: 028 9052 9200 (ext: 29200)  
Textphone: 028 9052 9304  
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**Please consider the environment - do you really need to print this e-mail?**

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**From:** [Christine.McLaughlin@detini.gov.uk](mailto:Christine.McLaughlin@detini.gov.uk) [<mailto:Christine.McLaughlin@detini.gov.uk>]

**Sent:** 04 October 2013 10:37

**To:** Hepper, Fiona

**Cc:** Dolaghan, Paul; [Neth\\_Energy](#); [Sterling, David](#); [Thomson, David](#); [Rooney, Eugene](#); [Aiken, Glynis](#); [Stevenson, Valerie](#) (DETI Private Office); [DG\\_DET1 Press Office](#); [Hegarty, Damien](#); [McLaughlin, Christine](#) (DETI)

**Subject:** Correspondence -- Ref. Number: COR/490/2013 : RENEWABLE HEAT INCENTIVE

DEPARTMENT OF ENTERPRISE, TRADE AND INVESTMENT

URGENT - CORRESPONDENCE

Reference: COR/490/2013

Raised By: Thomas Buchanan

Subject: RENEWABLE HEAT INCENTIVE

Referred To: HEPPEL FIONA (MRS) (Energy Branch)

Date Referred: 04/10/2013

**ACTION REQUIRED**

Please provide advice and a draft reply for signature by the Minister.

To be with Private Office not later than 11/10/2013 before Close of Play

For further information etc. contact :

Christine McLaughlin (Private Office)  
Netherleigh House Tel : Ext 29222

Copied To For Information:  
cc Energy  
Hegarty Damien (Mr)  
McLaughlin Christine (Mrs)

**From:** Fiona Hepper  
Energy Division

**Date:** 10 October 2013

**To:** 1. Andrew Crawford  
2. Arlene Foster MLA

Copy Distribution List Below

**COR/490/2013: RENEWABLE HEAT INCENTIVE**

**Issue:** Cllr Thomas Buchanan MLA has written to you regarding the introduction of the domestic Renewable Heat Incentive (RHI).

**Timing:** Routine

**Need for referral to the Executive:** None.

**Presentational Issues:** None

**Freedom of Information:** Fully discloseable.

**Financial Implications:** None.

**Statutory Equality Obligations:** There are no Section 75 implications.

**PFG/PSA implications:** None.

**Legislation Implications:** None.

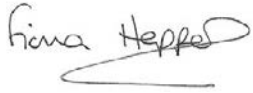
**Recommendation:** A draft response to Mr Buchanan is provided at Annex A for your consideration.

**Background**

1. Cllr Thomas Buchanan has written to you regarding the introduction of the domestic Renewable Heat Incentive (RHI) scheme. He has been contacted by a constituent about incentives for renewable heat technologies and is seeking an update on when the domestic RHI might be introduced.

**Recommendation**

2 It is recommended that you reply to Mr Buchanan using the draft attached at **Annex A**.

A handwritten signature in black ink that reads "Fiona Hepper". The signature is written in a cursive style with a long, sweeping underline.

**FIONA HEPPER**  
**Energy Division**

cc: David Sterling  
Joanne McCutcheon  
Peter Hutchinson  
Dan Sinton  
Press Office  
Glynis Aiken  
Alastair Ross, MLA, APS

**DRAFT REPLY FROM MINISTER TO THOMAS BUCHANAN MLA**

Cllr Thomas Buchanan MLA  
West Tyrone  
DUP Advice Centre  
5 Dublin Road  
Omagh  
BT78 1ES

Dear

Thank you for your letter of 1<sup>st</sup> October 2013 regarding the introduction of the Domestic Renewable Heat Incentive (RHI).

A RHI for the non domestic market launched on 1 November 2012 for a limited range of well-established and well-understood technologies. You may already be aware that my Department launched a public consultation on Phase 2 of the RHI in July 2013. The purpose of Phase 2 of the scheme is to expand the non-domestic scheme to new technologies and to implement a domestic RHI scheme. This consultation closed for comment on Monday, 14 October and my officials are currently assessing responses.

The domestic RHI proposals, as set out in the consultation document, are that domestic customers installing a renewable heat technology (such as biomass, heat pumps or solar thermal) would be eligible to apply for upfront support plus ongoing incentive payments for 7 years. These incentive payments are calculated to cover the additional costs of the technology over the lifetime of the installation. The introduction of the domestic RHI will ensure that renewable heat technologies become a more viable alternative for householders and will support the Department's work to achieve a level of 10% renewable heat by 2020.

In advance of the introduction of the domestic RHI, my Department launched the Renewable Heat Premium Payment (RHPP) scheme that provides support for domestic customers towards the capital costs of installing renewable heat. Those who avail of support under the RHPP remain eligible to apply for the domestic RHI. I have been pleased with the success of the RHPP, with over 1200 applications received since May 2012 and 630 technologies installed and supported. My Department has offered support of £1.8 million, equating to an investment in this sector of £5.8 million.

I remain committed to implementing a long term incentive mechanism for domestic consumers wishing to install renewable heat technologies, as outlined in the consultation document. Once my Department has been able assess responses to the consultation I will make clear plans and timescales for implementation.

I hope you have found this response helpful.

**ARLENE FOSTER MLA**

**Minister of Enterprise, Trade and Investment**