

From: [Smith, Alan](#)
To: [Murphy, Shane](#); [Dukelow, Victor](#)
Subject: RHI CEPA letter
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I had a word with Stuart re the CEPA RHI letter.

He said that if we need any background brief e.g. spike in demand stopping of the scheme, budget implications etc - his branch can provide this.

Apart from the three main points raised by Andrew and Chris Stuart thought we need to ask them about the assumptions in the tariff calculation – while costs assumptions will necessarily vary from those assumed the crucial assumption was the load factor of 17%. There doesn't seem to be any evidence of how this was arrived at or any sensitivity around it.

As well as the tiering issue another problem with the modelling is that the midpoint of the range of boiler sizes (50kW) was chosen for the modelling while the incentive was clearly to install up to 99kW as both boiler size and running hours are the determinants of overall kWh output.

Speak to you soon,

Alan