

ENERGY EFFICIENCY (STUART)**RHI Phase 1**

- Unprecedented increase in uptake of the Non-domestic Scheme - total applications have more than tripled (208 – 30 June 2014 to 651 on 22 May 2015).
- On track to achieve 4% target during 2015, however committed monthly non-domestic RHI payments have risen from £430k to £1.5m over past 11 months. Forecast RHI expenditure in 2015/16 now expected to be £23.2m. Barnett consequential RHI budget for 2015/16 expected to be £12.8m.
- Issue has also arisen over original Non-domestic Business Case with DFP approval only covering applications received during 2011/12-2014/15 period.
- Working with Finance Division to try and urgently secure additional AME funding to cover overspend and to secure necessary DFP approvals for expenditure on new applications during 2015/16. Revised Business Case may be required. Meeting with DFP Supply to be arranged.
- Tiered tariff to be introduced for most popular Biomass tariff in October 2015 to reduce demand. Consultation / information document being drafted.

RHI Phase 2 (Domestic)

- Over 200 applications received to date, rising quickly after slow start.
- Significant issue has arisen over how annual RHI payments are calculated. EPCs in NI are produced using an older (2009) version of the software than GB (2012) and don't report the heat information needed for deeming RHI payments. Discussions ongoing with DFP on this issue.

RHI Phase 2 (Non-Domestic)

- In light of current budgetary issues Phase 2 proposals have been deferred until 2016.

Energy Efficiency Directive

- Previous Minister had agreed in principle that DETI lead on EnergyWise (formerly 'HEaT') project. Meeting to be arranged to brief new Minister / SpAd.
- EnergyWise Scheme now a DETI project with CS the SRO. Work underway to finalise business case for pilot scheme to be introduced later this year, and also to complete other project documentation – PID, Risk Register etc.
- DETI/DSD/OFMDFM have agreed to share SIB costs for next 6 months until scheme is launched. £50k has been profiled for this.
- Eugene Rooney / Trevor Cooper briefed on proposals.
- Draft OBC to be shared with DETI Casework w/c 15 June.

2015/16 Budgets

- Work ongoing with DETI Finance in bid to secure additional AME funding and necessary DFP approvals.
- Revised RHI AME forecasts of £23m for 2015/16 provided as part of current exercise to inform Chancellor's July Budget
- £108.5k profiled for Ofgem for RHI Phase 2: £8.5k for feasibility study and £100k for development costs.