

**Community Energy**

- Draft Action Plan completed and now incorporates other Departments input. Awaiting final renewable electricity policy position before finalising.

**Other**

- Offshore decommissioning – update paper send to HoD in September.
- SEF review input provided.

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

- Unprecedented increase in uptake of the Non-domestic Scheme - total applications have more than tripled.
- Current estimates suggest as much as 6% renewable heat could now be in place against the 4% PfG target for 2015, however committed monthly non-domestic RHI payments have risen from £430k to £1.5m over past 15 months. With a further unprecedented spike in applications during October/November (over 800) forecast RHI expenditure in 2015/16 now expected to be over £30m. 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 urgently secure additional AME funding to cover overspend and to secure necessary DFP approvals for expenditure on new applications during 2015/16. Business Case Addendum seeking DFP approval to a 21 month extension to Non-domestic Scheme to 31/12/16 and increased expenditure for both schemes submitted to Finance Division - Business Case submitted to DFP. Prospective approval given for new applications from November 2015 to March 2016. Awaiting DFP response on request for Retrospective approval back to 1 April 2015.

**RHI Phase 2 (Domestic)**

- Over 300 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 heat information needed for deeming RHI payments. A work around has been put in place to calculate RHI payments until new EPCs are available in NI.
- Resource pressures - Minister has agreed for backlog of work associated with RHPP transfers and site checks to be prioritised over processing of new applications. New applicants will be advised of longer processing times.
- 2 SOs now in place - Adele for Domestic Admin and Finance. Peter for RHI policy and legislation.

**RHI Phase 2 (Non-Domestic)**

- Final policy for Biomass tariff changes and new CHP tariff has been cleared by Minister and ETI Committee (SL1). Draft Regulations currently being finalised with Ofgem and DSO. Regulations laid before Assembly on 3 November. Motion Debate scheduled for 17 November.
- Given budgetary issues, remaining Phase 2 proposals deferred until 2016.
- Given DFP prospective approval only covers new applications up until March 2016, work underway to develop legislative proposals to enable scheme closure / suspension should RHI budgets be cut.

## Energy Efficiency Directive

- Work underway to finalise EnergyWise 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 during 2015/16 until scheme is launched in April 2016. £100k budget to be transferred to SIB for this. Draft OBC being finalised – Preliminary Casework discussion held for 17 September.
- Gateway 1 / 2 Review completed during 27/28/29 October. Amber/Red Overall rating. Lack of sufficient Project Management resources identified as key risk. SO to be allocated to EnergyWise and bid to be made for DP Assistant PM.
- Casework Committee to be arranged for 1 December 2015.
- Gateway 2 to be arranged for mid January 2016.

## 2015/16 Budgets

- Work ongoing with Finance to secure additional AME funding / DFP approvals.
- Revised RHI AME forecasts of £23m for 2015/16 provided as part of current exercise to inform Chancellor's July Budget
- Revised AME requirement submitted in October 2015 on instruction from DFP does not include any new commitments beyond March 2016. - will need updated in light of recent surge in applications.

## CO-ORDINATION (PAUL)

### NI Assembly/ETI Committee

- Final set of Orals due for answer on 1 December.
- Following NIRO oral briefing on 10 November, ETI Committee has sought additional information relating to Minister's engagement with Amber Rudd/DECC – this is due with PO asap. With Minister's consent, Committee has also written seeking meeting with Amber Rudd (to include Minister Bell).

### 2015/16 Divisional Plan

- Divisional Plan 2015/16 – Q2 amendments being incorporated on foot of last HoBs meeting.

### Finance

- January monitoring return submitted – outcome awaited.
- Work ongoing with Finance /DFP re: AME budget.

### Staffing General

- In - Year Review process – significant progress being made over past week to complete process.
- Voluntary Exit Scheme – Barbara, Alison S and Emma (end November) and Alan C (January) departing. Note: sign-off reports will need to be completed by relevant line-managers.
- Replacements now identified for all those departing – and start dates being agreed through DHR.
- Internal moves will see Peter, Adele and Colette take up the three SO posts in Energy Efficiency Branch. Replacement SO identified for Gas Branch – likely to join Division at beginning of January.
- All staff have now completed e-learning on Managing Personal Stress.