

From: [Keith Avis](#)
To: [Thompson, Sandra](#); [McCutcheon, Joanne](#)
Cc: [Hutchinson, Peter](#); [Peter Rice](#)
Subject: RE: NI RHI: Invoicing
Date: 05 October 2012 12:39:16
Attachments: [image001.png](#)
[image002.gif](#)
[Book2.xlsx](#)

Sandra

The amount to be invoiced is £148,475. Attached is our workbook that details the figures. Our Finance team will send the invoice through to you. Any problems, do let me know.

Rgds

Keith

From: Thompson, Sandra [<mailto:Sandra.Thompson@detini.gov.uk>]
Sent: 05 October 2012 12:24
To: Keith Avis; McCutcheon, Joanne
Cc: Hutchinson, Peter
Subject: RE: NI RHI: Invoicing

Keith - please advise of amount to be invoiced first so that we can raise a purchase order. The invoice must quote our purchase order reference to be valid.
thanks and regards

Sandra Thompson

Energy Co-ordination
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9382 (ext: 29382)
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www.ni2012.com

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From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]

Sent: 05 October 2012 12:05
To: McCutcheon, Joanne
Cc: Hutchinson, Peter; Thompson, Sandra
Subject: RE: NI RHI: Invoicing

Joanne

The cost sheet will be sent over to you in the next half an hour, and you will be invoiced today. Just so we get this right, the invoice will be sent to you, if this is different then do let me know.

Keith

From: McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]
Sent: 05 October 2012 10:38
To: Keith Avis
Cc: Hutchinson, Peter; Thompson, Sandra
Subject: RE: NI RHI: Invoicing

Keith

I need this urgently as in now – any word?

Thanks

Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 02 October 2012 09:57
To: McCutcheon, Joanne
Cc: Hutchinson, Peter; Thompson, Sandra
Subject: RE: NI RHI: Invoicing

Joanne

I will speak to my finance Department today and will respond to you asap.

Keith

From: McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]
Sent: 02 October 2012 09:47
To: Keith Avis
Cc: Hutchinson, Peter; Thompson, Sandra
Subject: FW: NI RHI: Invoicing

Keith

We still don't appear to have received any invoices. As per earlier telephone conversations we had expected invoices in July and August and from the e-mail below we had profiled expenditure in Sept.

Can you please confirm exactly when we can expect to receive an invoice (and for how much)

Thanks

Joanne

Joanne McCutcheon

Renewable Heat
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Netherleigh
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www.ni2012.com

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From: McCutcheon, Joanne
Sent: 10 September 2012 14:02
To: 'Keith Avis'
Subject: RE: NI RHI: Invoicing
 Thanks Keith

On the basis of previous discussions we have £130K profiled for Sept so hope that is about right.
 Do you expect a similar or larger payment in Oct?

Thanks
 Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 10 September 2012 12:48
To: McCutcheon, Joanne
Cc: Peter Rice; Sajith Sasikumar
Subject: NI RHI: Invoicing
 Hi Joanne cc: Peter, Sajith

I promised to get back to you about invoicing this month. I have just touched base with our finance team. They have confirmed that they will be invoicing you during September. They anticipate that it will be early next week. Certainly it will be £99k for staffing. They are just waiting for costs from our IT Department, which they will add to this. We should know how much by cop tomorrow. As soon as I know the IT cost I will get back to you.

I hope that this helps.

Keith

Keith Avis
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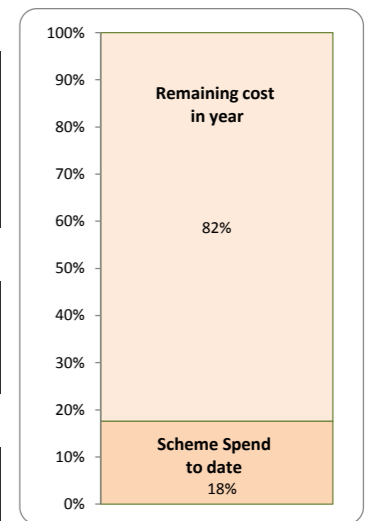
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NIRHI - Reporting Summary

CURRENT MONTH: August'12	2012-13												2012-13 Total
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	

SCHEME COST TOTALS

A Actual Costs and Latest Forecasts (can be broken down further depending on specific scheme requirements)													
Staff Costs													
Employment Costs	1,746	1,620	5,327	17,903	15,406	38,274	24,119	33,114	24,596	21,240	21,263	22,655	227,264
Recruitment	37	12	46	-	1,055	798	-	377	-	198	-	-	2,523
Training	17	7	-	339	129	32	903	717	620	430	429	428	4,052
Total	1,799	1,639	5,373	18,242	16,590	39,105	25,022	34,208	25,216	21,869	21,692	23,084	233,839
Consultancy													
Consultancy Actual (See table J for breakdown)	-	-	-	-	-	-	-	-	-	5,000	15,000	-	20,000
Consultancy Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	5,000	15,000	-	20,000
IT													
IT	-	2,253	-	2,584	11,506	11,072	38,665	52,000	56,700	40,220	12,500	12,500	240,000
Events													
Events	-	-	-	-	-	-	-	-	-	-	-	-	-
Other													
Other	72	9	112	136	208	274	739	668	579	468	429	467	4,161
Subtotal: Pre Overheads	1,871	3,901	5,485	20,962	28,305	50,451	64,426	86,876	82,495	67,556	49,621	36,050	498,000
Overhead Charge	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
Total: Including Overheads	8,121	10,151	11,735	27,212	34,555	56,701	70,676	93,126	88,745	73,806	55,871	42,300	573,000
B Costs Planning Estimate: feasibility study/confirmed budget (can be broken down further depending on specific scheme requirements)													
Staff Costs			15,800	15,800	15,800	15,800	15,800	42,932	42,932	42,932	42,932	42,932	293,660
Consultancy							10,000						10,000
IT			14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	143,000
Events													-
Other													-
Subtotal Pre Overheads	-	-	30,100	30,100	30,100	30,100	40,100	57,232	57,232	57,232	57,232	57,232	446,660
Overhead Charge	-	-	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	75,000
Total: Including Overheads	-	-	37,600	37,600	37,600	37,600	47,600	64,732	64,732	64,732	64,732	64,732	521,660
C Costs Planning Estimate: Agreed Changes (can be broken down further depending on specific scheme requirements)													
Staff Costs													-
Consultancy													-
IT													-
Events													-
Other													-
Subtotal Pre Overheads	-	-	-	-	-	-	-	-	-	-	-	-	-
Overhead Charge	-	-	-	-	-	-	-	-	-	-	-	-	-
Total: Including Overheads	-	-	-	-	-	-	-	-	-	-	-	-	-
D Costs Planning Estimate: Total Including Agreed Changes (can be broken down further depending on specific scheme requirements)													
(B+C) Staff Costs			15,800	15,800	15,800	15,800	15,800	42,932	42,932	42,932	42,932	42,932	293,660
Consultancy							10,000						10,000
IT			14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	14,300	143,000
Events													-
Other													-
Subtotal Pre Overheads	-	-	30,100	30,100	30,100	30,100	40,100	57,232	57,232	57,232	57,232	57,232	446,660
Overhead Charge	-	-	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	75,000
Total: Including Overheads	-	-	37,600	37,600	37,600	37,600	47,600	64,732	64,732	64,732	64,732	64,732	521,660
E Costs Difference to Planning Estimate (Red is an expected spend above the current budget)													
(A-D) Staff Costs	1,799	1,639	-10,427	2,442	790	23,305	9,222	-8,724	-17,716	-21,063	-21,240	-19,848	-59,821
Consultancy	-	-	-	-	-	-	-10,000	-	-	5,000	15,000	-	10,000
IT	-	2,253	-14,300	-11,716	-2,794	-3,228	24,365	37,700	42,400	25,920	-1,800	-1,800	97,000
Events	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	72	9	112	136	208	274	739	668	579	468	429	467	4,161
Subtotal Pre Overheads	1,871	3,901	-24,615	-9,138	-1,795	20,351	24,326	29,644	25,263	10,324	-7,611	-21,182	51,340
Overhead Charge	6,250	6,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-1,250	-
Total: Including Overheads	8,121	10,151	-25,865	-10,388	-3,045	19,101	23,076	28,394	24,013	9,074	-8,861	-22,432	51,340
F Financial High Risk Areas													
Within Budget													-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
G DECC APPROVED FUNDING													
Feasibility Study and Joanne McCutcheon Letter(6 June 2012)			38,600	38,600	38,600	38,600	38,600	65,732	65,732	65,732	65,732	65,732	521,660
DECC Funding Total	-	-	38,600	38,600	38,600	38,600	38,600	65,732	65,732	65,732	65,732	65,732	521,660
(G-A) Over/Underfunded Forecast Costs	8,121	10,151	-26,865	-11,388	-4,045	18,101	32,076	27,394	23,013	8,074	-9,861	-23,432	51,340



Scheme Spend to date 18%
Remaining budget in year 82%

CURRENT MONTH: August'12	2012-13						2012-13
	Oct	Nov	Dec	Jan	Feb	Mar	Total

SCHEME FTE TOTALS

Actual FTEs

Grade: SCS						
Grade: E						
Grade: D						
Grade: C						
Grade: B						
Grade: A						
Temp						
Contingency Plans						

FTEs Planning Estimate for the year: Total

Grade: SCS						
Grade: E						
Grade: D						
Grade: C						
Grade: B						
Grade: A						
Temp						

Consultancy (Actuals)

Name	Contract Number			
Check to costs above				

Invoices

Invoice Number	Date Issued			Issued 2012-13
Previous Years				
	01-Feb-12			
Total				

From: [Keith Avis](#)
To: [McCutcheon, Joanne](#)
Cc: [Hutchinson, Peter](#)
Subject: RE: NIRHI: Installation Projections
Date: 08 October 2012 12:59:57
Attachments: [image001.png](#)
[image002.gif](#)

Joanne

Here are the figures used in the feasibility study. Grateful if you could let us have any updates to the projected installation figures that you would like us to use for the 2013/14, 2014/15 and 2015/16 years. The feasibility study makes reference to the fact that these costs are cumulative, so I am assuming the new installations for 2013/14 below would be 776 as the 1,413 figure quoted includes the projected 637 installations from 2012/13.

	2012/13	2013/14	2014/15	2015/16
Non domestic installations	247	498	931	1,628
Domestic installations	390	915	1,890	3,795
Total NI RHI installations	637	1,413	2,821	5,423

Rgds

Keith

From: McCutcheon, Joanne [mailto:Joanne.McCutcheon@detini.gov.uk]
Sent: 08 October 2012 12:38
To: Keith Avis
Cc: Hutchinson, Peter
Subject: RE: NIRHI: Installation Projections

Keith

Many thanks. We will have a look at what we have and get back to you shortly. The work was done previously and we shared them with Catherine when she was doing the feasibility study but what I can't remember is whether she used them or simply used GB projections pro rata.

I'll await your feedback on the Admin Arrangements.

Regards

Joanne

Joanne McCutcheon

Renewable Heat

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From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 08 October 2012 10:06
To: McCutcheon, Joanne
Subject: NIRHI: Installation Projections

Good morning Joanne,

I had a catch-up with Matthew on Friday following your discussion. I understand that you have revised installation projections. If that is the case, grateful if you could share these with me please.

On the Administrative Arrangements, I have a meeting with our MD this afternoon, so am anticipating that I will be able to get back to you with our thoughts on your comments pretty soon after that. I'll update you further after the meeting.

Best regards

Keith

Keith Avis
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New Scheme Development
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From: [McCutcheon, Joanne](#)
To: [Keith Avjs](#)
Cc: [Hutchinson, Peter](#)
Subject: FW: NIRHI: Installation Projections
Date: 08 October 2012 14:37:37
Attachments: [image005.png](#)

Keith

Looking through our modelling for uptake of the RHI - our projections are heat-based (Gwh) rather than by number of installations. Our projections were provided to Catherine at the time of the feasibility study but you will see from the relevant extract from the Feasibility study (below) that Ofgem assumed 3% of GB RHI. From memory we think she thought the heat based projections were too complex to use.

Given the original figures were based on 3% of DECC - perhaps the operation costs should now be based on 3% of actual GB installations or can we revisit the heat projections data?

Regards

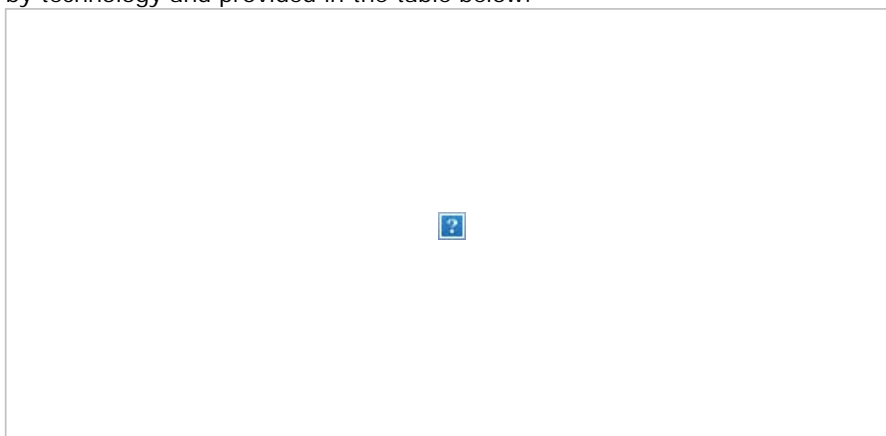
Joanne

PS – the figures appear to be cumulative as you suggest.

Excerpt from feasibility study....

Scale

- 1.1. The expected volume of generators for the NI RHI scheme is difficult to predict and the uptake from generators will very much depend on the level of tariffs set, the administration systems for the scheme, the efficiency of the scheme and, of course, the desire for renewable technology.
- 1.2. The NI RHI represents up to £25 million of investment in the Northern Ireland renewable heating sector over the first four years of the scheme. DETI have estimated scheme uptake, broken down by technology and provided in the table below:



- 1.3. For the purposes of this study Ofgem have assumed the NI RHI will form 3% of GB RHI application/installation capacity and Operational workload. The table below sets out the expected cumulative uptake under the GB RHI scheme, followed by potential NI RHI uptake based on 3% of GB RHI installations.

GB RHI	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Non Domestic	3,741	8,239	16,611	31,039	54,266	72,510	99,680	127,886	167,230	209,708
Total										

Domestic	0	13,000	30,500	63,000	126,500	186,000	276,000	376,000	486,000	636,000
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NI RHI	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Non Domestic	0	247	498	931	1,628	2,175	2,990	3,836	5,017	6,291
Total Domestic	0	390	915	1,890	3,795	5,580	8,280	11,280	14,580	19,080