

Thanks for your help
Joanne

From: McCutcheon, Joanne
Sent: 14 November 2012 10:25
To: Brankin, Bernie
Cc: Conliffe, David; Partridge, Jeff; Craig, Suzanne; Hutchinson, Peter; Thompson, Sandra
Subject: FW: NIRHI: Drawdown of Funds

Bernie

Further to our meeting, please see emails below which I hope might clarify the situation re the RHI.

Payments are only made by Ofgem after an installation has been accredited and heat use data supplied. To be accredited the installer needs to satisfy Ofgem that the installation meets the conditions of the legislation. It then becomes eligible for payments which are calculated on the basis of – heat output x prescribed tariff.

Ofgem is outlining below (2 e-mails from Keith) how it is proposing to seek the finance from us to cover these payments.

Do you require any further information? If there is alternative way you would like manage the process I think Ofgem would be happy to consider – we do however need to agree the arrangement asap for inclusion in the Administrative Agreement that is currently being negotiated as a matter of urgency.

Thanks for your help

Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 13 November 2012 17:01
To: McCutcheon, Joanne
Subject: RE: NIRHI: Drawdown of Funds

Joanne

Picking up on your email, I have some further points to make:

- 1) Contact at DECC – Our Finance team do not deal with one specific contact, this is because they deal with multiple departments/teams.
- 2) Payments to participants will be six weeks after the submission of periodic data. Periodic data will cover a quarter (Three months).
- 3) Ofgem will review balance and request a top-up monthly if necessary.
- 4) Ofgem's projections will be monthly.

I hope that this helps, as before happy to discuss and/or provide further information as you need.

Regards

Keith

From: McCutcheon, Joanne [<mailto:Joanne.McCutcheon@detini.gov.uk>]
Sent: 13 November 2012 09:57
To: Keith Avis
Subject: RE: NIRHI: Drawdown of Funds

Keith

Were you able to get me the contact in DECC?

Thanks for info below. Just want to make sure I understand this properly before I go back to our finance team. Am I right in thinking that the first payment to an installation will be 3months after the first installation is accredited?

Prior to this you will seek from us an amount that will equal what you expect to pay out the following month (on the basis of the number of installations, their installed capacity, expected hours of operation and efficiency). Then on a monthly basis you will seek additional funds to cover the expected monthly installation payments. You will not be anticipating more than a month ahead.

I note that the balance at the end of the financial year will then be transferred back.

Regards

Joanne

From: Keith Avis [<mailto:Keith.Avis@ofgem.gov.uk>]
Sent: 13 November 2012 09:33
To: McCutcheon, Joanne
Subject: NIRHI: Drawdown of Funds

Joanne

We spoke yesterday when you asked for some points of clarification for your finance team on the Imprest system. I have comments on each of the points you raise:

What would the first payment be from DETI to Ofgem? [The first payments will not be made for a while, but we will inform you of the first amount which will depend on anticipated payments within a period, usually monthly.](#)

How do we calculate the finances that we ask for? [Estimates will be mainly based on installation capacity, expected hours of operation \(weekly\) and efficiency.](#)

Is the Imprest System in line with the requirements under the Government's calculating guidelines? [If your finance team could provide more detail on the specific part of the "Government Calculating Guideline" to which you refer we will be able to respond fully on this point.](#)

I should say that Ofgem will only request top-up of the Imprest monthly and any unspent balance in the account at the end of the financial year will be transferred back to DETI for accounting purposes. Ofgem will provide DETI monthly "Receipt and Payments" accounts to