

Energy



To: Fiona Hepper

Date: 27 February 2013

From: Peter Hutchinson

Renewable Heat Incentive – Proposed Large Biomass stakeholder event 5 March 2013

1. This submission seeks your approval to hold a stakeholder event in relation to the consultation on Phase 2 of the Renewable Heat Incentive (RHI).
2. Phase 2 of the RHI provides an opportunity to review the position on large biomass installations over 1MW in size. Currently, there is no available tariff for biomass systems over 1MW in size under the RHI. This is due to the fact that analysis carried out in 2010 demonstrated that large biomass installations were generally cost-effective over 20 years when comparing with a like-for-like oil system and therefore a tariff under the RHI could not be generated.
3. The seminar on the 5th March is an opportunity for DETI, as part of the current development work, to engage with stakeholders involved specifically in the large biomass sector to ascertain up to date information on the barriers (financial and non-financial) faced in respect of these schemes.

Aim

- Opportunity for stakeholders to hear about the issues surrounding proposals in relation to the treatment of large scale biomass installations under the RHI.
- Opportunity for DETI to gain a better understanding of the barriers (financial and non-financial) faced by stakeholders in respect of these schemes.
- Opportunity for stakeholders to provide empirical evidence on costs of developing large biomass schemes.

Date, time, venue

- Tuesday 5 March in the Pavilion Complex, Stormont Estate (cheapest of 3 quotes).
- Event to start at 10.00am, with tea/coffee on arrival.

Target Audience

4. Stakeholders involved specifically in the large biomass sector - representatives from Manufacturing NI, Balcas and several large users (Invista and Linden Foods) have expressed an interest in attending.

Costs

5. The attached table (**Annex A**) shows the 3 possible venues (Park Avenue Hotel, Stormont Hotel and the Pavilion Complex). These were chosen, in the absence of availability of in-house conferencing facilities, due to location.
6. The Pavilion could accommodate 20 for £70 compared with £175 at the Park Avenue and £205 at the Stormont Hotel. All costs include room hire and catering. I would therefore recommend that we use the Pavilion. Availability of funding for this event from within our budgets has been confirmed.

Request for approval

7. It is important that we hold this seminar in order to 1) ensure that NI stakeholders are aware of the issues surrounding the treatment of large scale biomass under the RHI and 2) gain an understanding of the barriers that stakeholders face, in relation to large scale biomass, under the RHI.
8. I therefore seek your approval to the proposed expenditure associated with the arrangements for the seminar.
9. I am happy to discuss.

Peter Hutchinson**Cc Joanne McCutcheon
Peter Briggs**