

We would again bring to your attention the unfortunate consequences of the 100 kW threshold used in the Phase 1 Commercial RHI scheme. What we warned about during the initial consultation is now very apparent on the ground, with the large difference between the below 100kW (6.1p) and above 100 kW (1.5 kW) leading to a plethora of multiple but separate systems and a demand to undersize boilers; just to stay within the higher rate tariff. The fact that 100 kW boilers are at the very lower limit of wood chip boilers has had the added consequence of driving the installations into using wood pellets, many of which are imported, resulting in much lower lifetime carbon savings and reduced benefit to all but a very few UK pellet producers. Local wood chip suppliers with their potential to contribute to the local rural economy are facing increased difficulty in competing – simply because of this distortion in the tariffs compared to the situation in GB.

Q 4.1 *Do you foresee any difficulties for biomass systems over 1MW adhering to the proposed biomass sustainability standards.*

We support the proposals to impose lifetime emissions targets as essential to ensure that imported biomass provides equivalent carbon savings to that which is locally produced. Any scheme will need to be effectively validated and enforced on an international basis.

4.2. *Do you have any comments on the potential extension of these standards to all relevant installations and the introduction of an approved supplier list?*

Introducing additional bureaucracy for biomass suppliers will further erode already limited margins and stifle development. Any system must therefore be extremely simple. In particular we suggest –

- Very simple “self-supplier” system is essential
- Any system of approved supplier should avoid duplication with existing wood quality schemes (WQAS) which already provide this sustainability assurance. Evidence of membership of such schemes should suffice and prevent duplication through having another Government “official supplier” list. One or the other should suffice.

4.3. *Issues with future air quality standards.*

We appreciate that the control of air quality and greenhouse gases is of global significance and Northern Ireland must play its part in any action.

However we have very great misgivings about the proposals and believe that they are out of proportion to the risk and stand to have a catastrophic impact on the biomass industry and the ability of DETI to meet its 2020 targets for renewable heat.

Our concerns are based on the following facts –

- The lack of current scientific data on N2O levels from different biomass fuels.