

From: [Scott, Michelle](#)
To: [Neeson, Patrick \(DoF\)](#); [McNally, Noel](#); [McAfee, Rachel](#); [Finlay, Christine](#)
Cc: [Morelli, Emer](#)
Subject: HPRM: FW: BP Spreadsheets
Date: 12 January 2017 15:02:19
Attachments: [NI Data - Uplift Numbers.xlsb](#)
[RHI VfM analysis Option 5 Jan 2017.xlsx](#)
[RHI VfM analysis Option 4 Jan 2017.xlsx](#)
[RHI VfM analysis Option 3 Jan 2017.xlsx](#)
[RHI VfM analysis Option 2 Jan 2017.xlsx](#)
[RHI VfM analysis Option 1 Jan 2017.xlsx](#)

Patrick

As discussed, please see attached spreadsheets from DfE. We can talk once we have had a chance to review

Michelle

From: McMurray, Stephen
Sent: 12 January 2017 14:55
To: Scott, Michelle
Cc: Murphy, Shane; Montgomery, Paul; Dukelow, Victor; Smith, Alan
Subject: BP Spreadsheets

Michelle, please find attached material as requested. I would emphasise that it is the most comprehensive assessment we can give on the option cost calculations and illustrates that, in instances, this rests on assumptions (around usage levels for example) which can be further refined as further information becomes available - not least from inspections. That is a point emphasised in the business case itself in support of the option 2 approach. I would also reiterate Shanes offer that due the complexities of the spreadsheet models and their bespoke nature that it is best if someone from our side talks your economists through them. I can also confirm that they have been checked to ensure they do not contain information relating to individuals.

Stephen

Stephen McMurray

RHI Taskforce

Department for the Economy

Netherleigh

Massey Avenue

Belfast, BT4 2JP

Tel: 028 9025 7810 (ext: 57810)

Mob Personal information redacted by the RHI Inquiry

TextRelay: 18001 028 9025 7810

Web: www.economy-ni.gov.uk

Tariffs		2012	2013	2014	2015
Biomass	0-19.99kw	£0.062	£0.064	£0.066	£0.067
	20-99.99kw	£0.059	£0.061	£0.063	£0.064
	100-999kw	£0.015	£0.015	£0.015	£0.015
GSHP	0-19.99kw			£0.067	£0.090
	20-99.99kw		£0.032	£0.045	£0.046
	100+			£0.011	£0.014
Solar thermal	below 200			£0.068	£0.091
CHP	all			£0.000	£0.026

Tier 1 %	15%	1314.9		
Cap <99kW%	46% No	4032.36	Yes	
Cap <199kW %	23% No	2016.18	No	

Medium Tier 2 tariff (£0.065

Discount rate 0.12
Other Tier 2 tariff 0.015

Average biomass running cost (p/kWh output) 4.01 Source CAFRE
Biomass efficiency 0.92 Source CAFRE
Oil efficiency 0.85
Oil cost (p/kWh) 2.85
Upfront barrier cost 3951 Source CEPA
Ongoing barrier costs 828 Source CEPA

Medium Capex 50000
Large capex 90000
Small capex 20000

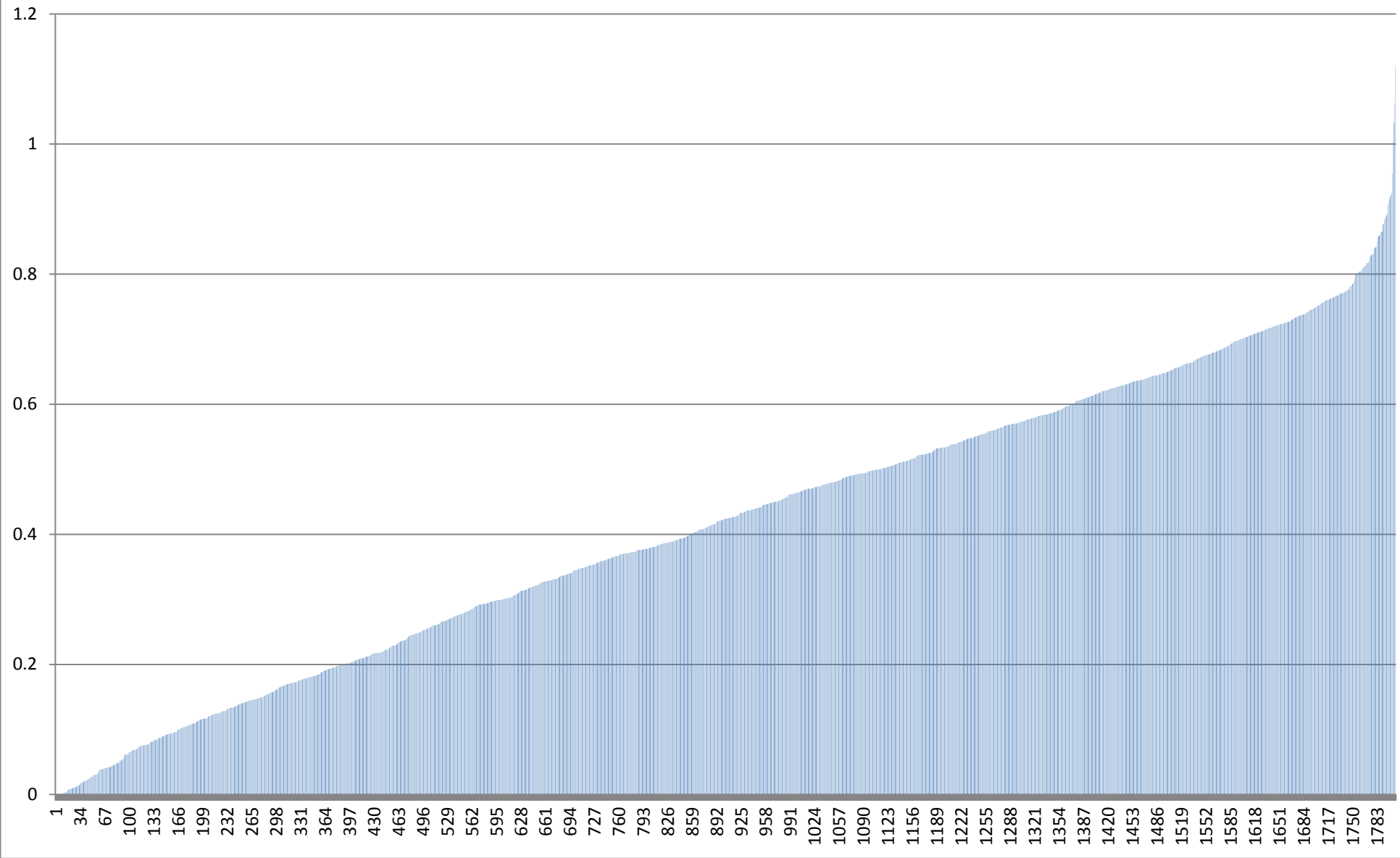
Oil boiler cost 3000
Rate of return 0.12

PwC categories %

1	46.77%
2	37.29%
3	9.49%
4	6.44%

2016
£0.068
£0.065
£0.015
£0.091
£0.047
£0.013
£0.092
£0.035

Running time



Internal rate of return

