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Your Ref: ENV 87

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Renewable Fuel Targets

Alex,

I am writing in response to your query of 15 November 2011 on Renewable District Heating Schemes and Renewable Fuel Targets.

You are correct that the Department has carried out analysis of the local heating market with a view to developing an appropriate incentive mechanism to encourage the uptake of renewable heat technologies. You will be aware that a public consultation on the design and implementation of a Northern Ireland Renewable Heat Incentive (RHI) was launched in July 2011 and closed for comment in early October. DETI is now currently considering a final policy position on this matter.

The RHI is expected to increase the level of renewable heat to 10% by 2020, in line with a target included in the Strategic Energy Framework. The current level of renewable heat in Northern Ireland is estimated at 1.7% and by increasing this level there are opportunities for Northern Ireland to increase its fuel security, reduce carbon emissions and develop 'green jobs'.

In relation to renewable fuel targets, DETI does not expect to introduce specific fuel targets for the renewable heat. The RHI is designed to support the uptake of a range of technologies such as heat pumps, biomass, solar thermal and biogas or biomethane. In addition, there will be opportunities for district heating or small-scale community heating projects to avail of the RHI and be developed. The target of 10% renewable heat by 2020 is a challenging target and will require both financial incentives and supporting policy measures if it is to be achieved.

Yours sincerely,

David McCune
DALO
Department of Enterprise, Trade & Investment