

FROM THE PERMANENT SECRETARY
Andrew McCormick



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Dear Chris

NORTHERN IRELAND NON DOMESTIC RENEWABLE HEAT INCENTIVE SCHEME (RHI)

We spoke on Monday 12 December about the need for independent evidence to be obtained by Ofgem to verify information received from Scheme participants in cases where there are doubts over eligibility, as in some of the PwC cases referred to you, or where allegations are being investigated.

As Accounting Officer for the Northern Ireland Scheme, I would be grateful if you would instruct your staff to obtain independent evidence to corroborate information given by applicants. This evidence could be provided in a number of ways, for example email, letters or through inspection activity. The important point is that the evidence is clearly independent. Where you are not able to verify information received from the participants consideration should be given to revoking membership of the scheme.

I appreciate that this is a departure from your existing processes but one that is in our view clearly essential in the very difficult context we face. Hence my request is that the arrangement above is put in place with immediate effect so that all the PwC cases and third party referrals passed to Ofgem recently can be dealt with in this way and brought to a conclusion quickly. I would appreciate confirmation that this action has been taken.

We are also expecting that where there is prima facie evidence of non-compliance with the purposes of the scheme, for example burning for the sole or primary purpose of securing payment, poor insulation or inefficiency, or material doubts about the validity of the business reason, enforcement action will be pursued with urgency. It is now over four months since the alarming findings of the PwC

inspections began to emerge and I would have hoped by now that some of the clearer cases of non-compliance would by now have been resolved.

As you may be aware, the Department is now committed to procuring an inspection programme to have 100% of installations inspected, probably as part of a more radical programme of change. I have asked my officials to work with your team to amend the administrative arrangements accordingly.

As per our previous exchange of letters, I am also copying this letter to Clive Maxwell.

Yours sincerely

ANDREW McCORMICK
Permanent Secretary