

**To:** Michelle Murdoch[Michelle.Murdoch@ofgem.gov.uk]  
**Cc:** William Elliott[William.Elliott@ofgem.gov.uk]; Paul Heigl[Paul.Heigl@ofgem.gov.uk]; Lindsay Goater[Lindsay.Goater@ofgem.gov.uk]; Oliver More[Oliver.More@ofgem.gov.uk]; NIRHI Checkpoint Group[NIRHICheckpointGroup@ofgem.gov.uk]; Morag Drummond[Morag.Drummond@ofgem.gov.uk]  
**From:** Marcus Porter  
**Sent:** 2012-08-17T09:56:51Z  
**Importance:** Normal  
**Subject:** RE: DETI questions no.2  
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[michelledoc.docx](#)

Thanks

Further copy attached showing my suggested amendments and one (facetious) comment.

Marcus

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**From:** Michelle Murdoch  
**Sent:** 17 August 2012 10:13  
**To:** Marcus Porter  
**Cc:** William Elliott; Paul Heigl; Lindsay Goater; Oliver More  
**Subject:** DETI questions no.2

Morning Marcus

Am nearly through Vol 1 and your comments. Have just created another set of questions for DETI which follow on from our email correspondence of yesterday.

Please peruse the attached document and I would appreciate it if you made amendments where you feel they are needed. Am just about to go into training until 2 but will get some time for lunch and hope to send the questions over to DETI then. This should give them enough time to get me answers by cop Tuesday along with the other outstanding queries they already have.

I hope you have a lovely time off.

Kind Regards

Michelle

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- 1) **Regs 5 and 6 of the draft NI Regs vs. Schedule 3.** Schedule 3 indicates an intention not to accredit large biomass plants where the capacity is 1MW or above and irrespective of whether the biomass is in solid municipal waste. Regs 5 and 6, however, which stipulate the relevant eligibility requirements, appear open ended in this regard - as in the corresponding provisions in the GB Regs. If, as I understand it, Schedule 3, viewed in isolation, correctly reflects the policy intent, it seems to me that regs 5 and 6 should specify 1MW limits.
- 2) We need to know whether, if replicated in the NI guidance, Table 3 Chapter 4 Vol. 1 of the GB Guidance in general and the entries therein for biogas production plant in particular, would correctly reflect DETI's negotiations with the Commission leading up to the granting of state aids approval in relation to the draft NI Regs. We ask, in light of advice we received from Counsel earlier in the year as regards whether the BPP should be regarded as included in the "eligible installation". To cut a long story short, he felt that it should if that had been the basis on which state aids discussions with the Commission took place. As DECC informed us that it was indeed the basis, we concluded that the entries in the Table for BPP should be in the middle column rather than the right hand one and so the consultation on changes to the GB guidance currently under way (and appearing on the Ofgem website) include that change. The consultation letter explains the significance of this issue in some detail. **Link to be added here.** The matter is important to us as administrators because we need to know what it is that we are accrediting and it is relevant also to the application of the the rules re grants from public authorities in regs 23 and 25.
- 3) **DECC's Biomethane guidance for gas producers** - There is no equivalent guidance in NI and we would not be able to refer to the GB document as we have our own regulatory regime which is very different to that in GB. (DETI)

For GB, injection has been a huge practical and financial challenge, and Ofgem facilitated work on this via a steering group. The result has been, after many months, agreements on how this may work in practice with grid operators, and how costs of gas grid connections for biomethane can be reduced – an excellent outcome. Perhaps we could include in the guidance the line; **"If you are intending to produce biomethane for injection to the grid in NI, pls contact DETI and Ofgem at the earliest possible stage to discuss your project and application, and to obtain guidance"**. We can always release a guidance update or biomethane Applicant Guidance Note created by DETI later. Also perhaps DETI can ask a specific Guidance consultation question "is our approach to helping biomethane production in NI, given it is in its infancy / does not exist, appropriate?" – if no producers, you won't get a "no"!

- 4) **Volume 1, Appendix 4** - In NI the European Waste Catalogue is enacted under the List of Wastes (Northern Ireland) Regulations (2005), which includes the EU list as an appendix. We (DETI) don't have an equivalent to the 2006 DEFRA guidance on interpreting the list. This is a policy decision for NIRHI which wastes we allow to be included and subject to us making the same policy decision as DECC, we could use their interpretation of the List of Wastes.

Which list do you wish Ofgem to refer to, the List of Wasters **!!!! Love the typo!!!!** (NI) Regs 2005 or the EU list in the Appendix? Whichever is the answer the guidance ought to reflect the intended approach. Also (if it is to be the DETI list), do DETI wish to acknowledge in the guidance that DECC is the source, as in the GB Regs, or anonymise it. ?

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