

**To:** Michelle Murdoch[Michelle.Murdoch@ofgem.gov.uk]; Marcus Porter[Marcus.Porter@ofgem.gov.uk]  
**Cc:** Keith Avis[Keith.Avis@ofgem.gov.uk]; Paul Heigl[Paul.Heigl@ofgem.gov.uk]; Oliver More[Oliver.More@ofgem.gov.uk]  
**From:** Lindsay Goater  
**Sent:** 2012-09-03T15:37:37Z  
**Importance:** Normal  
**Subject:** RE: NIRHI Guidance Documents - <45kW biomass and fossil fuel  
**Received:** 2012-09-03T15:37:38Z

Hi Michelle,

Thanks for the chat... w/o Ollie, you get me!

My concern relates to tables 1 & 3 in Volume 2 (paras 4.30 & 4.52) – *and now I look, most of the associated text sections...*

I would like to be clear on **which of Regs 28, 29 & 30 are being implemented in NI?**

I would have assumed that Reg 29 was just deleted (re-numbering aside), leaving, as per GB, no applicable Reg for <45kW (hence the issue...), and Reg 30 for 45kW to 1MW, as well as Reg 28 for MSW

**BUT** this in draft NI RHI Guidance:

**Contaminated fuels and feedstocks**

*Solid biomass with installation capacity of less than 45kW*

4.37 As set out above, solid biomass plants with an installation capacity of less than 45kW are allowed to use contaminated solid biomass fuels, but the energy content of these fuels cannot exceed 10 per cent of the energy content of the biomass fuels used in the quarter.

Reads as if Reg 30 applies at <45kW? *le there is a change vs GB*, and fossil fuel **IS** explicitly addressed in NI RHI Regs, and is capped at 10% It also reads as if Reg 29 applies to 45kW to 1MW? *le a change vs GB*, and *that would require FMS* – quite a lot of work - GB just has a 10% cap on fossil fuel...

If the Regs **ARE** as I am indicating above, ie **NOT same as GB**, then all well and good, I suppose, we can get tables 1 & 3 sorted out with Y, N, n/a, ticks etc all in the right places... and text to match

**However**, on the assumption that in fact there is no applicable Reg for <45kW, as per GB, and that there is just the same Reg for 45kW to 1MW (ie 10% cap) then *there is no deduction for 45kW to 1MW*, just a 10% cap, and table 1 needs amending.

Table 3 is then also incorrect – *as for GB there is no FMS at 45kW to 1MW*

(my final points after these tables below...)

**Overview of ancillary fossil fuel and contamination requirements**

**Table 1: Requirements in relation to ancillary fossil fuel and contamination**

Technology	Size	Is fossil fuel permitted for ancillary purposes?	Is contamination allowed?	Is ancillary fossil fuel and contamination deducted from payment?
Solid biomass	45kW and below	√	√	√
	Between 45kW – 1MW	√	√	√
Biogas - gasification or pyrolysis	Under 200kW only	√	√	Only contamination deducted
Biogas - anaerobic digestion	Under 200kW only	√	√	×
Municipal waste	All	√	√	√
Biomethane - gasification or pyrolysis	All	N/A	√	Only contamination deducted
Biomethane - anaerobic digestion	All	N/A	√	×

4.31 Where the energy content is above the levels outlined in the four scenarios in this section, the participant would be in breach of its ongoing obligations. As described above, this may result in the suspension or withholding of your payments for the period for which the ancillary fuel limit is breached, or for material or repeated breaches of the requirements, in other

compliance and enforcement action being taken against you.

### When FMS is required

4.51 As described in the 'Ongoing fuel requirements' section above, FMS is only required when a participant generates heat from fossil fuel at their installation and when the Regulations state that the tariff should be apportioned 'pro rata' to adjust for any fossil fuel use. Where only 100 per cent biomass fuels are used, no measurement or sampling of the fuel is required.

4.52 Table 3: Circumstances where FMS is required

Technology	Size	Where plant uses contaminated fuel is fuel measurement and sampling required?	Where plant uses fossil fuel for permitted ancillary purposes, is fuel measurement and sampling required?
Biomass	45kW and below	No	NB - NOTHING STATED HERE?
	Between 45kW - 1MW	Yes	Yes
Biogas - gasification or pyrolysis	Under 200kW only	Yes	No
Biogas - anaerobic digestion	Under 200kW only	No	No
Municipal waste	All	Yes	Yes
Biomethane - gasification or pyrolysis*	All	Yes	N/A
Biomethane - anaerobic digestion*	All	Yes	N/A

\* Biomethane producers will be required to follow fuel measurement in all circumstances so that we can verify the energy content of the gas injected

There then remains the concern that, **by positively asserting in table 1 that fossil fuel CAN be used** (where arguably the Regs are *silent*), we may expose the GB scheme to this issue. As there is neither FMS applicable to determine payments, nor a 10% cap that means ongoing obligations are breached, there is then no limit to fossil fuel content – so coal plus a sprinkling of sawdust gets 100% of heat energy paid upon

We still have **this** in the Regs, I assume, which will prevent <45kW dual-fuel boilers getting in

#### Eligible installations generating heat from solid biomass

5. This regulation applies if the plant complies with all of the following requirements—

(a) it generates heat from solid biomass;

(b) the heat from the solid biomass is generated **using equipment specifically designed and installed to use solid biomass as its only primary fuel source;**

and this may be purely a theoretical concern (as I understand it, ancillary use of fossil fuel does not happen below 45kW really – TBC by Ollie...), but I do not like it, and **my preference then is to remain silent**, as per the Regs, **which may mean at least removing table 1, and possibly table 3** (as otherwise we have a table showing <45kW solid biomass with a column headed "Where plant uses contaminated fuel is fuel measurement and sampling required?" and it seems we are not comfortable putting "n/a"), and removing or amending associated text.

Happy to discuss

Lindsay

#### Lindsay Goater

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**Have you read the following documents which will assist you in submitting a properly made and high quality RHI application:** The Renewable Heat Incentive Application Process – An Overview and Key Guidance: [Applicant Guidance Note 3](#); Ofgem E-Serve's Guide to the RHI Application Form: [Applicant Guidance Note 2](#). Further supporting information can be found on Ofgem's [How to Apply for Accreditation](#) webpage.

**From:** Michelle Murdoch

**Sent:** 03 September 2012 15:31

Received from OF GEM on 11.05.2017

Annotated by RHI Inquiry

**To:** Lindsay Goater  
**Cc:** Keith Avis; Paul Heigl; Rita Chohan; Sophie Jubb  
**Subject:** RE: NIRHI Guidance Documents

Lindsay,  
 Thanks for the taking the time to look over this. Will take it all on board.  
 The Guidance documents will be going to DETI on the 13<sup>th</sup> Sept having by that point been signed off by the business (fingers crossed).  
 With Ollie only due back from A/L on the 10<sup>th</sup> and given the limited amount of time he will have available, is there anyone else I could call upon regarding the issues you have highlighted below?  
 Thanks in advance  
 Michelle

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**From:** Lindsay Goater  
**Sent:** 03 September 2012 09:23  
**To:** Michelle Murdoch; Matthew Harnack; Paul Heigl  
**Cc:** Marcus Porter; William Elliott; Oliver More; Felicity Beverley; Rory Edwards; Keith Avis; Rita Chohan; Sophie Jubb; Niketa Patel; Louisa Mallon; Ade Obaye; Jessica Ladbury; Jacqueline Balian  
**Subject:** RE: NIRHI Guidance Documents

Thx Michelle

I have only reviewed the "changes" document, and many of these questions are I guess for Paul/Keith on practical implementation

- New email addresses & phone nos
  - Will Devt Team be requesting email addresses from IT?
  - Will Devt Team be setting the matching queues up in the CRM with IT/Cantata?
  - Will Devt Team be requesting new phone no from IT?
  - Will Devt Team be setting up the required amendments to the ACD / call handling functionality for this phone no, and arranging amendments to the telephone messages to accommodate NI callers?

- **5.42** "Whereas some technologies have an upper limit on capacity to be eligible under the NIRHI, solid biomass boilers are eligible at all scales up to but not including 1000kWth. " The green words added in to reflect changes in NI Regulations. Reads odd – "whereas" not applicable, solid biomass also has an upper limit? Just state the limit maybe?

- **Vol 2 - 4.3 Overview of ancillary fossil fuel and contamination requirements**

**45Kw and below – now all ticks.** I think that is a very bad idea! Is there really a mechanism to make deductions in the NI Regs for fossil fuel under 45kW? I don't believe there is in GB... Being silent by removing "we'll add a condition" is one thing, positively asserting they can use contaminated fuel and fossil fuel for ancillary purposes is quite another – **Ollie?** (he is on A/L until 10/9, and will have limited time)

Maybe just losing the table is better? If it is allowed, and doesn't set a limit, as I understand it we are opening up NI RHI, and so also GB as Regs are the same, to people burning coal with a sprinkling of sawdust...

Is there any way around this eg by reference to a policy statement, if DETI were to make one?

We have never imposed a condition, but by implying it wasn't allowed, I think we are in the "right place"...

- **Vol. 1 4.40 onwards... Council tax bandings**

We are hoping to create a decision tree on how to decide if a building is non single domestic (we have all of it done except for domestic buildings converted to commercial use in relation to agricultural businesses, as they are then exempt from Business Rates, and determining if a purportedly agricultural building is definitively not part of domestic premises – ie within the farmhouse property line), but it will be backed by GB VOA approach on Council Tax & Business Rates. Suggest that, perhaps with Devt Team help, if this can be completed in time, we can ask legal and DETI to review this and help resolve any issues?

- **Vol 1 7.22 All large or 'complex' installations that deliver heat by hot liquid will be required to provide an independent report ... NEED EQUIVALENT WEB PAGE TO [www.ofgem.gov.uk/rhi](http://www.ofgem.gov.uk/rhi)** will Devt Team be setting up equivalent pages to GB pages on Ofgem website, or ensuring same in place on DETI website, and providing links for Ops reference? I think enquiry handlers rely in such links. Key things here include Applicant Guidance Notes, Metering FAQs – all for GB scheme, most badged Ofgem – as well as Guidance itself - may all need reviewing and duplicating.

- **Vol 2 4.37** "As set out above, solid biomass plants with an installation capacity of less than 45kW are allowed to use contaminated solid biomass fuels, but the energy content of these fuels cannot exceed 10 per cent of the energy content of the biomass fuels used in the quarter." See comment above, and once again, for the avoidance of doubt, GB imposes no condition on this – we just said we would in the Guidance (but legal then advised against actually doing so). I don't think we are too exposed to the risk of fossil fuel being burnt with the Guidance as is, and the table noted above as is, but if we change what we say in NI Guidance, that may no longer be the case...

- **Vol. 2. Table 3 4.52 – Circumstances where the FMS is required**

Pls talk to **Ollie** – we DO NOT want to start handling FMS at all scales – if we do, we need a new resourcing model and more staff for NI RHI – relates to same point as above on fossil fuel under 45kW

Thx  
 Lindsay

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**From:** Michelle Murdoch

**Sent:** 30 August 2012 17:15

**To:** Matthew Harnack

**Cc:** Marcus Porter; William Elliott; Oliver More; Lindsay Goater; Felicity Beverley; Rory Edwards; Keith Avis; Paul Heigl; Rita Chohan; Sophie Jubb; Niketa Patel; Louisa Mallon; Ade Obaye; Jessica Ladbury

**Subject:** NIRHI Guidance Documents

Dear Matthew,

I attach the draft of the NIRHI Guidance document for your review. I will be booking a slot in your surgery for 6 September so that you can discuss with myself and the team. I appreciate that this is a weighty document, but I have included clean versions and marked up versions from the GB RHI guidance so that you can decide on your preference for reviewing.

Please find attached the following documents:

- NIRHI Guidance Vol. 1 (Clean Version)
- NIRHI Guidance Vol. 2 (Clean Version)
- Vol 1 and 2 in draft version (if you wish to cross reference)
- Changes made to NIRHI Guidance Document.

The latter file is divided into: Changes across both volumes, Volume 1, Volume 2, Outstanding Concerns and lastly Possible changes in the future which could affect the Guidance moving forward. I recommend that this is the document you read along with the clean versions of the NIRHI Guidance Volumes as it explains all the changes/key areas/issues which were thrown up during this process.

Drafts of these documents have been reviewed by Paul Heigl, Marcus Porter and William Elliot, and I have revised based upon their feedback.

The timescale that we are hoping to work to regarding this Guidance is listed below:

30 August: Send around Guidance for Review

6 September: Matthew's surgery

13 September: Send Guidance to DETI

20 September: Consultation starts

18 October: Consultation finishes

19 October: Guidance updates made.

22 October: Clearance meeting with Matthew

24 October: Send guidance to DETI for publication

I will also be asking those cc'd into the email to review the document(s) within the same timeline and will update you on any comments at your surgery session. I hope that this process works for you. Of course I stand ready to discuss or take any action as you direct prior to your surgery session.

Kind Regards

Michelle

**Michelle Murdoch**

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