

To: Nadia Carpenter[Nadia.Carpenter@ofgem.gov.uk]
From: Nadia Carpenter
Sent: 2014-05-14T10:18:57Z
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[image002.gif](#)

----- Original Message -----

From: Jonathan.Buick@actionrenewables.co.uk
Received: 5/13/2014 2:10 PM
To: RHI Grants
Cc: Michael.Doran@actionrenewables.co.uk
Subject: RHI and De Minimis

Dear Nadia,

Thanks for calling just now. Action Renewables is assisting companies in Northern Ireland during the RHI application process and we have a few concerns around RHI payments for companies, De Minimis State Aid and Carbon Trust Loans. We understand that the CT Loan itself is not considered State Aid as it will be repaid, however, the avoided interest costs are considered State Aid.

However, our concern is that if RHI payments are considered State Aid, and De Minimis rules apply, then there will be a threshold on RHI support, limiting the number of installations that large companies will develop.

Below are two such examples which Action Renewables would like to bring to your attention where projects may need guidance:

Brooklands Healthcare Limited – a company which operates nursing homes and has completed the installation of two 99kW wood pellet boilers. One boiler heats a nursing home in Kilkeel, the other heats a nursing home in Magherafelt. Each boiler was in receipt of a Carbon Trust Loan. Is it possible that Brooklands Healthcare Limited will be subject to De Minimis limits? Each boiler may obtain RHI payments annually of over £30,000 per year, which would put the RHI support very close to, if not over De Minimis. What are the implications for installing biomass boilers at further nursing homes owned by Brooklands?

Also, Green Biomass Power Limited has installed two 99kW wood chip boilers at Bombardier Aerospace in Belfast. These systems are hydraulically separate, providing heat to separate industrial processes. However, they will operate around the clock and therefore, as with other instances where multiple installations are owned by the same company, RHI payments when aggregated across separate boilers owned by the same company may exceed De Minimis levels. Green Biomass Power Limited intends to install further wood chip boilers at various sites (some owned by Bombardier) under ESCO type arrangements.

We are concerned that De Minimis levels will be applied to the company in the round, rather than to each application. If this were to happen, it would require a change of approach on behalf of those companies which have multiple sites.

Can you please let me know the conclusions of your discussions with DETI and how you would recommend we proceed with multiple applications for biomass boilers owned by the same company?

Kind regards

Jonathan

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