

To: Edmund Ward[Edmund.Ward@ofgem.gov.uk]
From: Katy Read
Sent: 2015-08-25T10:10:53Z
Importance: Normal
Subject: RE: TRIM: RE: NI RHI - Draft Amendment Regulations
Received: 2015-08-25T10:10:54Z
[NIRHI \(Amendment\) Regs 2015 v2\(Ofgem comments\).docx](#)

Hi Edmund,

I propose to go back with the following, and perhaps you could follow up with the paragraph you drafted yesterday? Let me know what you think – happy to discuss.

Hi Seamus,

Please find comments attached. Please be aware of the following:

- None of the previous comments around CHP have been addressed. This is not implementable with the current drafting.
- The policy intent of allowing heat to be used outdoors for commercial cleaning or drying is not implementable with the current drafting
- Many clarifications and corrections are required with the rest of the draft regs
- Further changes have been added: tiering for small biomass, and the 400,000kWh cap applying to small biomass as well as medium – so this may impact IT costs and timeline
- Preliminary approval has been added which was not considered as part of the feasibility study. Dealing with setting the correct tariff in the IT system will need to be investigated and is likely to add to costs.
- Regarding preliminary approval, in order for Ofgem and DETI functions to be clearly distinguished and for prospective applicants to have access to the information they need, we think the following would be needed before these regulations came into force, DETI would:
 - DETI would publish guidance setting out the process for applying for and being granted preliminary approval
 - confirm in that published guidance that DETI would be responsible for day-to-day administration and decisions regarding preliminary approval
 - confirm under our admin arrangements that preliminary approval would be a reserved function sitting with DETI
 - confirm any data sharing changes needed to give us ability to validate any applications in receipt of preliminary approval

From: Edmund Ward
Sent: 24 August 2015 09:42
To: Katy Read
Subject: FW: TRIM: RE: NI RHI - Draft Amendment Regulations

While we are happy to work with you to reach a position where regulatory amendments are fit for purpose, I must emphasise that any change in regulations will require us to consider the existing Administrative Arrangements between DETI and Ofgem E-Serve regarding our administrative functions relating to the scheme. I should highlight that, based on current drafting, our view is that the regulations [relating to CHP and heat use outdoors] would not be compatible with our ongoing administration of the scheme, and should you wish to proceed on this basis it may be necessary to consider a further separation of duties between DETI and Ofgem. This would require further consideration on both sides, so if this is a route you might expect to pursue it would be good to discuss this at the earliest opportunity.

From: Hughes, Seamus [<mailto:Seamus.Hughes@detini.gov.uk>]
Sent: 24 August 2015 09:30
To: Katy Read
Cc: Wightman, Stuart; Willis, Adele; Sarah Driver; Edmund Ward
Subject: RE: TRIM: RE: NI RHI - Draft Amendment Regulations

Katy

Thank you for your email and we certainly welcome any further suggestions that Ofgem may have for our draft regulations that you think will make future scheme administration easier or more effective. However, the scheme will be proceeding on the basis of regulations cleared by DETI's solicitors and their interpretation.

Regards

Seamus

Seamus Hughes

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