

To: New Schemes Development[NewSchemesDevelopment@ofgem.gov.uk]
From: Matthew Harnack
Sent: 2012-01-19T17:14:37Z
Importance: Normal
Subject: Update on a few recent GEMA/DECC matters
Received: 2012-01-19T17:14:37Z

Hi all,

A brief update from me on a number of things which may be of interest to you...

GEMA meeting/NI RHI

GEMA agreed that we proceed with the NI RHI at their meeting today. However, DETI are now unlikely to give their approval to proceed until 31 January (personally I think this might slip by another week or two). Although a separate matter, it is worth mentioning that the E-Serve Quarterly Report was well received at the GEMA meeting

E-Serve/DECC High Level Working Group Meeting and E-Serve Programmes Committee Meeting

The HLWG meeting was held on Monday and EPC meeting was yesterday. The meetings went smoothly and it is clear that relationships are now very good between the two organisations. From the HLWG meeting it is clear that DECC are pursuing best value for money and increased competition for environmental schemes, so winning new work from them (e.g. ECO) is by no means a given. Having said that I should emphasise that they do appreciate the strong working relationship and the skills and strengths that we have to offer. Excellence in delivering our existing programmes will be key to winning new work from them.

The meetings also spent time discussing the status of CERT and CESP, which although is not good (some suppliers have indicated they do not think they will comply with their targets under one or both of these schemes), DECC really appreciate the work we are doing to encourage and facilitate suppliers to meet their targets under these schemes. There was also discussion around the development of an E-Serve strategy, which is welcomed (and some would say overdue) and some useful input was given by DECC again. FITs issues, risk of fraud and money laundering across schemes, and NI RHI (in the case of the EPC) were also discussed.

FITs JR

DECC had their JR appeal hearing last Friday. They are unlikely to get a decision until on or shortly before 9 February, which is the last day that they can lay their amendment order in time to enact scheme changes on 1 April. DECC intend to lay "emergency" legislation today in order to reduce the tariff rates on 1 April for installations registered on or after 3 March. This is to limit their exposure in the event they lose the appeal.

RHI Project Board

This meeting was held yesterday. We received approval for the additional funding for IT (to be reallocated from other line items), subject to resolving the possible £30k IT moratorium overspend. The change request for additional audits in 2012/13 was also discussed again, but approval has been deferred until DECC run it by their internal audit team (likely next week).

I will have to leave it there today but hope to update you on Tuesday's MC discussions tomorrow.

Regards,

Matthew

Matthew Harnack

Associate Director, Commercial

New Scheme Development

9 Millbank

London

SW1P 3GE

Tel: 020 7901 7218

www.ofgem.gov.uk