

To: Jacqueline Balian[Jacqueline.Balian@ofgem.gov.uk]
Cc: Sajith Sasikumar[Sajith.Sasikumar@ofgem.gov.uk]
From: Peter Rice
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RHI NON DOM BUDGET 13-14.xlsx

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I once I got off the phone I thought why not just use the figures we sent to DECC, they have the totals for non-domestic. That is what I have sent in the attached and just used formula to total either all or a proportion of the costs and then taken 3% of it to sum up to £143k. You may want to say it is something like £100k fixed and the £40k is dependent on (say) 200 applications. That £40k will be reduced or increased pro rata to the number of applications actually received. [these are of course just numbers plucked from thin air but that is a very popular approach with management here so I am not overly bothered]

Some arguments why the formula is rubbish are:

It was based on the outturn being close to the application numbers provided. Since they were so very wrong it isn't relevant. We cannot take that risk again.

There are plenty of fixed costs including management time talking to DETI (which is only slightly less than DECC!!)

The financial reporting was poor last year and our central finance team are dictating a monthly report and invoice which DETI will be expected to comply with (but at additional cost).

Legal costs are basically the same for DETI as for DECC (they are not volume driven) do DETI should bear nearer half than 3%

Training of staff to understand the differences to the DECC scheme is very onerous and costly as is the checking to make sure the team have not applied DECC requirements rather than DETI ones.

It costs are relatively even with DECC, e.g. to have a system, put it on the server, ensure the system is running and develop it initially are all costs that should be shared relatively equally. The development costs are much smaller and should rightly be dependent on the amount of changes.

Events costs really depend on whether there are any in NI or not.

Other costs should rightly be pro-rata'd

Hope that helps

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