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Current Thinking re RHI

Eoin Rooney <eoin.rooney@sinnfein.ie>

18 January 2017 at 10:50

To: Seán Mag Uidhir [Personal information redacted by the RHI Inquiry]

Sean this is the other line of inquiry I would take up with the Auditor General - which businesses caused the spike in Autumn 2015?

----- Forwarded message -----

From: Máirtín Ó Muilleoir <mairtin@newbelfast.com>

Date: 18 January 2017 at 10:41

Subject: Current Thinking re RHI

To: Aidan McAteer [Personal information redacted by the RHI Inquiry]

Cc: Ted Howell <ted.howell@sinnfein.ie>, Seán Mag Uidhir [Personal information redacted by the RHI Inquiry] Eoin

Rooney <eoin.rooney@sinnfein.ie>, Conor Heaney [Personal information redacted by the RHI Inquiry] Conor Murphy

[Personal information redacted by the RHI Inquiry] Declan Kearney <declan.kearney@sinnfein.ie>, Oliver McMullan

[Personal information redacted by the RHI Inquiry]

Some thoughts of how our position is developing. I meet the CAG tomorrow. I could put some disturbing information about the spike in public domain as well as the allegation from Moypark that of the 430 farming applications, only 100 are for chicken farmers. There

Public cannot have confidence in the 'interim solution'. The Economy Minister wants to save £25m, I want to save £500m.

1. Continuing allegations and question marks over DUP handling of RHI.
2. Not a 19 year solution (because DUP delayed) but kicking the can down the road for one year. Sticking plaster. Not zero cost. Losses continue until 1 April 2017, around £6m.
3. Doesn't start inspections early enough and go after the wrong-doers.
4. Names of beneficiaries have not been released. Especially vital we get this information around the spike.
5. It will be challenged and stall implementation. Why not instead go for full solution and take on challenge.

As Minister, I asked for an assessment of the interim plan.

My officials say that legally it works for one year. They have not been asked to assess a 19-year plan.

Financially, the plan stacks up only if the inspection regime is effective. There are real concerns about this inspection regime. The plan also only works if EU Commission give permission for the new tariffs. There is no Commission approval of the current plan.

However, there I have put forward a full plan to close this down now. The DUP plan slows down the runaway train but doesn't prevent it from crashing. We want to stop this runaway train.

Our full plan is a move to lower tariff for 19 years.

It also envisages a drive against the spike through inspections and closing down those scamming the scheme. That drive starts now. We could call today on Moypark to agree to move its 350 businesses to the lower tariff. If we launched such a programme now, we could reduce the overspend by millions of pounds.

We should focus on the spike. 936 applications. 403 were in farming, MoyPark say they can account for only 100 of that number. Also in spike around 150 were made for businesses linked to the wood pellet business. The spike costs £24m a year for 20 years. That's almost the entire annual loss.