



David James Robinson
R & S Biomass Equipment Limited
23 Strahulter Rd
Newtownstewart
Co Tyrone
BT78 4ED

By post and email: info@rsbiomass.com

20 June 2017

Dear Sir

Re: The Independent Public Inquiry into the Non Domestic Renewable Heat Incentive (RHI) Scheme
Provision of a Section 21 Notice requiring the provision of evidence in the form of a written statement

I am writing to you in my capacity as Solicitor to the Independent Public Inquiry into the Non Domestic Renewable Heat Incentive (RHI) Scheme (known as 'the RHI Inquiry') which has been set up under the Inquiries Act 2005 ('the Act').

I enclose a copy of the RHI Inquiry's Terms of Reference for your information.

You will no doubt be aware that the RHI Inquiry is conducting its investigations into the matters set out in its Terms of Reference. The Inquiry is continuing with the process of gathering all of the relevant documentation from relevant departments, organisations and individuals. In addition, the Inquiry has also now begun the process of requiring persons who have been, or who may have been, involved in the range of matters which come within the Inquiry's Terms of Reference to provide written evidence to the Inquiry Panel.

In this context, it would be of assistance to the Inquiry to have a statement from you setting out the involvement of R & S Biomass Equipment Limited, its servants and agents, ('the Company') with the Non Domestic Renewable Heat Incentive Scheme in Northern Ireland ('the RHI Scheme').

In keeping with the approach we are taking with others, the RHI Inquiry is now issuing to you a Statutory Notice (known as a 'Section 21 Notice') pursuant to its powers to compel the provision of evidence in the form of a written statement in relation to the matters falling within its Terms of Reference.

The Section 21 Notice enclosed with this letter requires you to provide evidence to the RHI Inquiry Panel in the form of a written statement addressing the matters identified in the Schedule to the Section 21 Notice. As the text of the Section 21 Notice explains, you are required by law to comply with it.

Please bear in mind that, although the RHI Inquiry now has a good working knowledge of the RHI Scheme, the witness statement required by the enclosed Notice is likely (in common with others) to be published by the RHI Inquiry in due course. It should therefore ideally be written in a way which is as accessible as possible in terms of public understanding.

The aim of the enclosed Notice is to require you to provide all relevant evidence within your knowledge and that of the Company which is pertinent to the Inquiry's Terms of Reference. The Schedule to the enclosed Section 21 Notice provides further detail as to the matters which should be covered in the written evidence which is required from you. In the event that there is a category of information in respect of which you or the Company have no evidence, please state this in your response. Where you or the Company can provide evidence, then the more comprehensive your statement is, the less likely it is that the Inquiry will have to revert to you at a later stage for clarification, although in many cases this is likely to be necessary to some degree.

Receipt of this correspondence and its enclosures places you under a duty of confidentiality to the RHI Inquiry in respect of them. You may share the

correspondence and the enclosed Notice with your legal representative(s), and with relevant employees, servants or agents of the Company but neither you, nor they may show, communicate the contents of, or provide this correspondence or the Notice to any other person or organisation without the express permission of the RHI Inquiry. Any breach of this duty of confidentiality is actionable at the suit of the Inquiry Chairman.

You will also find attached to the Section 21 Notice a Guidance Note explaining the nature of a Section 21 Notice and the procedures that the RHI Inquiry has adopted in relation to such a notice. In particular, you are asked to provide your evidence in the form of the template witness statement which is also enclosed with this correspondence.

Given the tight time-frame within which the RHI Inquiry must operate, the Chairman of the Inquiry would be grateful if you would comply with the requirements of the Section 21 Notice as soon as possible and, in any event, by the date set out for compliance in the Notice itself.

Finally, I would be grateful if you could acknowledge receipt of this correspondence and the enclosed notice by email to Patrick.Butler@rhiinquiry.org.

Please do not hesitate to contact me to discuss any matter arising.

Yours faithfully



Patrick Butler

Solicitor to the RHI Inquiry

02890408928

SCHEDULE

[No 305 of 2017]

1. Summarise the involvement of R & S Biomass Equipment Ltd, its servants and agents ('the Company') in each of the following areas during the period from 2010 onwards:

a. the Renewable Heat Industry in Northern Ireland;

b. the Renewable Heat Industry in Great Britain;

(such as, for example, involvement in the manufacture or supply of biomass fuel, involvement in the manufacture, supply or maintenance of biomass heating plant, involvement in any relevant representative bodies, etc.).

2. Explain any direct or indirect involvement that the Company had in the Non Domestic Renewable Heat Incentive (RHI) Scheme in Northern Ireland ('the RHI Scheme') or any aspect of it prior to its suspension in February 2016, including, in particular:

a. any involvement that the Company had in the process leading to the creation of the RHI Scheme;

b. any involvement that the Company had in the 2011 public consultation exercise concerning the proposed Scheme;

c. any involvement that the Company had in the 2013 public consultation exercise concerning the RHI Scheme;

d. the nature and number (or approximate number) of commercial transactions (if any) engaged in by or on behalf of the Company connected to the RHI Scheme (such as, for example, the supply and installation of biomass heating plant for accreditation under the Scheme) including a breakdown of the number of such transactions

engaged in by or on behalf of the Company in each relevant financial year and the name and address of the other party / parties to each such transaction;

e. whether the Company, either directly or indirectly, ever earned any tariff income from the RHI Scheme and, if it did so, provide details of each sum earned by it as well as details of when, how, the precise installations in respect of which, and the terms under which, it earned same;

f. (if applicable) the Company's experience of the amount of time (in terms of days or weeks) that typically elapsed between:

i. the date of biomass heating plant being ordered and its installation;

ii. the date of biomass heating plant being ordered and its commissioning into service;

iii. the date of biomass heating plant being ordered and its accreditation under the RHI Scheme;

iv. the date of application for accreditation of biomass heating plant under the RHI Scheme and its accreditation;

(if, in the Company's experience there was no typical time lapse in this regard and/or if the typical time lapse changed as each year passed, then please provide details of both the minimum and maximum periods experienced by the Company in respect of each of the foregoing sub-paragraphs and/or break your answers down by reference to each relevant year);

- g. any involvement of the Company in representative, trade, or other similar groups along with other persons or bodies with an interest in the Renewable Heat Industry in Northern Ireland and/or the RHI Scheme;
- h. any involvement, whether direct or indirect, that the Company had in advertising or promoting the RHI Scheme (including, in particular, making unsolicited visits or approaches to potential applicants under the Scheme), and/or providing information, education, assistance, guidance or advice regarding the Scheme (including, in particular, in respect of the financial benefits available, and the possible rate of return and/or income that was achievable, under the Scheme), to the Northern Ireland market including details of every step taken in this regard, the date (or approximate date) when every such step was taken, the persons in respect of whom every such step was taken, and the results of same;
- i. any involvement of the Company:
 - i. in preparing or conducting applications for accreditation on behalf of applicants under the RHI Scheme including whether, if the Company had such involvement, the said services were provided in connection with a related commercial transaction involving the Company (e.g. a contract for the installation of biomass heating plant);
 - ii. in directing its customers to any other persons who could provide services in respect of preparing or conducting applications for accreditation under the RHI Scheme on behalf of those customers;
- j. any involvement of the Company in, or any knowledge on the part of the Company of, any arrangement or practice under which Ofgem gave priority to certain classes of applicant for accreditation (e.g. applicants in a particular sector in the economy, applicants associated with

particular suppliers or installers, etc.), including full details of any such arrangement or practice;

- k. any potential risks, flaws, problems, anomalies, loopholes, or other issues regarding the proposed RHI Scheme, or the RHI Scheme as enacted, which came to the Company's attention, including details of when the Company first became aware of each such issue and the actions (if any) taken by the Company as a result;
- l. any instances of whistle-blowing by or on behalf of, or to, the Company in relation to the RHI Scheme, or any disclosures made by or on behalf of, or to, the Company raising concerns about the RHI Scheme, of which you are aware, including details of when such communications occurred and to whom, and by whom, each such communication was made;
- m. any instances of lobbying or encouragement, by or on behalf of the Company, of Ministers, Special Advisers, Civil Servants, politicians, political parties, their respective servants or agents, or other relevant persons in relation to the terms of the RHI Scheme and/or the introduction, non-introduction, variation or delay of the introduction of cost controls into the Scheme (including, but not limited to, the amendment of tariffs, tiering, degression and Scheme suspension or closure).

3. Based upon the Company's technical experience and expertise, please explain the following:

- a. Typical life-spans of biomass heating plant (including an explanation of how, if at all, this is affected by load factor) and the options available, and associated costs, for seeking to extend the life-span of such plant;

- b. The process for rating such plant (including, in particular, the difference between biomass boilers rated at 99kW and those rated at 100kW and how such rating is achieved, verified and monitored);
 - c. The technical and environmental reasons why one might, or might not, use a multiple number of lower rated boilers at a particular site rather than a lesser number of higher rated boilers at the site.
4. Without prejudice to the generality of the foregoing:
- a. summarise the involvement (if any) of the Company in the Non-Domestic Renewable Heat Incentive Schemes in each of Great Britain ('the GB Scheme') and the Republic of Ireland ('the ROI Scheme');
 - b. summarise the key differences (if any) between:
 - i. the GB Scheme and the RHI Scheme;
 - ii. the ROI Scheme and the RHI Scheme;of which the Company was aware prior to November 2015, with particular regard to biomass heating plant;
 - c. clarify whether the Company, prior to November 2015, considered the RHI Scheme to have the potential to provide a greater financial return, for persons seeking to generate heat through eligible biomass heating plant and/or for those persons commercially connected to them such as suppliers or installers, than the GB Scheme and/or the ROI Scheme, and, if it did so consider, explain the Company's reasoning in this regard;
 - d. clarify whether the Company, prior to late November 2015, considered the RHI Scheme to be potentially more open to abuse or gaming, for persons seeking to generate heat through eligible biomass heating plant and/or for those persons commercially connected to them such as suppliers or installers, than the GB Scheme and/or the ROI

Scheme, and, if it did so consider, explain the Company's reasoning in this regard;

- e. if the Company at any such time considered the RHI Scheme to have the aforementioned potential to provide a greater financial return, and/or to be potentially more open to abuse or gaming, than the GB Scheme and/or the ROI Scheme, set out in detail the actions (if any) taken by the Company as a result of, or which were influenced by, such knowledge or belief on its part (e.g. focussing its commercial activities in the NI, rather than the GB or ROI, market, or communicating with Ofgem or other persons about potential abuse or gaming).

5. Without prejudice to the generality of the foregoing:

- a. please provide details of all communications, passing in either direction, between the Company or any person connected to it (on the one side) and Ministers, Special Advisers, Civil Servants, politicians, political parties, or their respective servants or agents (on the other side) in relation to the introduction, non-introduction, variation or delay of the introduction of cost controls into the RHI Scheme (including, but not limited to, the amendment of tariffs, tiering, degression and Scheme suspension or closure), in particular during 2015 (providing the nature, date, and place of each communication as well as details of the persons between whom each such communication occurred);
- b. in particular and, once again, without prejudice to the generality of the foregoing, please provide details of each and every communication between the Company or any person connected to it and officials in the Department for Enterprise, Trade, and Investment ('DETI'), DETI Energy Division, and/or DETI Renewable Heat Branch in relation to the introduction, non-introduction, variation or delay of the introduction of cost controls into the RHI Scheme (including, but not limited to, the amendment of tariffs, tiering, degression and Scheme suspension or closure), in particular during 2015 (providing the nature, date, and

place of each communication as well as details of the persons between whom each such communication occurred);

- c. identify each and every document containing, recording, or relating to the communications to which reference is made in sub-paragraphs a. and b.;
 - d. please provide details of all communications, passing in either direction, between the Company or any person connected to it (on the one side) and any persons *other than* Ministers, Special Advisers, Civil Servants, politicians, political parties, or their respective servants or agents (on the other side) in relation to the introduction, non-introduction, variation or delay of the introduction of cost controls into the RHI Scheme (including, but not limited to, the amendment of tariffs, tiering, degression and Scheme suspension or closure), in particular during 2015 (providing the nature, date, and place of each communication as well as details of the persons between whom each such communication occurred).
6. In respect of the period prior to the suspension of the Scheme in February 2016, and to the extent that it has not already been covered when addressing the issues raised in the preceding paragraphs of this Schedule, please provide details of all dealings that the Company, or other persons connected to it, had with:
- a. Ministers, Special Advisers, Civil Servants, politicians, political parties, or their respective servants or agents;
 - b. Ofgem, its servants or agents;
 - c. persons *other than* Ofgem, Ministers, Special Advisers, Civil Servants, politicians, political parties, or their respective servants or agents

which are relevant to the matters that the RHI Inquiry is investigating as set out in the Inquiry's Terms of Reference.

7. Identify any instances, of which either you or the Company is aware, where a Minister, Special Adviser, Civil Servant or any other person involved in the RHI Scheme (including, if applicable, yourself):
 - a. breached relevant standards (including, but not limited to, the Nolan Principles, the Ministerial Code of Conduct, the Civil Service Code of Conduct, the Code of Conduct for Special Advisers and/or terms or conditions of employment or service) or acted in a way incompatible with their duties;
 - b. acted in circumstances relating to or touching upon the Scheme in any way where they had a real or perceived conflict of interest;

in respect of any such instances, providing details and specifying the basis for any belief that there has been a breach of a relevant standard or duty or that a conflict of interest arose.

8. Provide any further evidence within your knowledge or belief, or that of the Company, which is relevant to the matters that the RHI Inquiry is investigating as set out in the RHI Inquiry's Terms of Reference.

NOTE:

It is important for the efficiency of the RHI Inquiry that the issues identified above are addressed as fully as possible and by reference, where available, to the dates and locations of specific incidents to which reference is made. The statement should be broken down into paragraphs, which should be numbered sequentially from '1' to the end. The use of appropriate section headings or sub-headings is also encouraged. A template witness statement is provided with this Notice for your assistance and should be used as the format for your response.

1(a) Renewable Heat Industry in N.Ireland

R & S Biomass was established as a Ltd company in 2009 and has been trading in the maintenance, supply and installation of Biomass Heating Systems since this date.

1(b). The Renewable Heat Industry in Great Britain

R & S Biomass Ltd is only active in the N.Ireland market.

2 (a) any involvement that the company had in the process leading to the creation of the RHI creation of the RHI Scheme.

Attended a stakeholders information date at some point before the scheme was launched but not sure on the date. It is my memory that I also responded to the consultation in 2011 on behalf of R & S Biomass Equipment Ltd with the separate attached document enclosed as appendix 1

2(b) any involvement that the company had in the 2011 public consultation exercise concerning the RHI Scheme

As above in response to 2 (a)

2 (c). Any involvement that the company had in the 2011 public consultation exercise concerning the RHI scheme;

None

2(d) The nature and number (or approximate number) of commercial transactions engaged in by or on behalf of the company connected to the RHI Scheme (such as for example the supply and installation of biomass heating plant for accreditation under the scheme) including a breakdown of the number of such transactions engaged in by or behalf of the company in each relevant financial year and the name and address of the other party / parties to each such transaction.

Approx 350-400 installations within the scheme

2 (e). Whether the company, either directly or indirectly, ever earned any tariff income from the RHI Scheme and, if it did so, provide details of each sum earned by it as well as details of when, how the precise installations in respect of which, and the terms under which, it earned same;

Own boiler at stores and office and boiler at Dungannon Rugby Club.

2 (f). (if applicable) the company's experience of the amount of time (in terms of days or weeks) that typically elapsed between;

Maybe a year between installations

i. The date of biomass heating plant being ordered and its installation

This was variable based on the availability of labour, stock levels and customer requirements however a typical installation from the point of order could be around 2

weeks up to 6 months depending upon size of boiler/project and specific boiler requirements

- ii. The date of biomass heating plant being ordered and its commission into service

Similar to above. This can be variable depending on the size and complexity of the installation. Within the range of products we install anywhere between 2-3 weeks to 1 year

- iii. The date of biomass heating plant being ordered and its accreditation under the RHI scheme.

Cannot give an accurate answer as RHI accreditation was handled by a third party and we did not get involved in RHI accounts. We have boilers installed in Nov 15 that have still not been accredited so anything from 6 weeks to 2 years.

- iv. The date of application for accreditation of biomass heating plant under the RHI scheme and its accreditation.

It seems since that since the pressure has come on Dfe, Ofgem have slowed down to a snail's pace. Some of our customers are waiting since Nov 15 and still not accredited. It seems widely accepted that Dfe has instructed OFGEM to stall the process. This is done by asking the same or completely silly questions and resubmit your application over and over again then they wait weeks before they reply. Dfe seems to have lost all due process anyway at this stage so nothing surprises the industry.

2 (g). Any involvement of the company its representative, trade or other similar groups along with other persons or bodies with an interest in the Renewable Heat Industry in N.I and/or the RHI scheme.

We had trade stands at events held at CAFRE Renewable Energy Events in Enniskillen and at Greenmount over the previous 4 years.

2 (h). Any involvement, whether direct or indirect, that the company had in advertising or promoting the RHI scheme.

Company has a website with information on boilers.

2 (i). any involvement of the Company:

- i. In preparing or conducting applications for accreditation on behalf of applicants under the RHI scheme.

RHI accreditations were undertaken by a third party on our behalf if we had them included in any packages.

- ii. We passed details of third party that carried out such services directly

(j). any involvement of the company in, or any knowledge on the part of the company of, any arrangement or practice under which OFGEM gave priority to certain classes of applicant for accreditation

None

2 (K). It is understood that an employee contacted the office of Barry McElduff (Sinn Fein) and Tom Buchanan (DUP) with respect to the abrupt notice of closure of the scheme on the 8 February 2016 as we as a company had a significant amount of stock on site for confirmed orders and we were looking for clarity on the closure on the scheme.

NOTE. The scheme was closed illegally at this time also as no public consultation was undertaken. The original legislation stated that the scheme would run for 20 years and be open to new applications for 20 years.

2 (L). None

(M). We were made aware of the delay to extension of the scheme closure for phase 1 of the scheme by communication with DETI officials for which some email correspondence is supplied in answer to section 5 below.

3. Based upon the Company's technical experience and expertise, please explain the following:

- A) Unknown as relatively new technology but we do have a biomass boiler still operational that was installed in 1997.
The technical queries relating to load factor and life cycle are difficult to answer as so many variables including how well the plant is looked after, maintenance of wear parts, boiler usage, water quality all come into play.
- B) The boilers were TUV tested to boiler sizes and the 99 & 100 kW boiler ratings predated the launch of the scheme in NI. The TUV ratings process can be viewed online
- C) The tariff established by DETI was different to the tariff in GB which in turn stimulated installation of sub 100 kW with minimal support for boilers above this level so needless to say more companies installed sub 100 kw boilers. When phase 2 was introduced that extended the tariff to sub 200 kW with the cap included this also stimulated investment by companies of boilers up to this size.
This is no different to the GB scheme as many many 199 kw boilers were installed as their banding was sub 200kw.

4 (a). The company was not knowingly active in the GB Non-Domestic Scheme although there can be no absolute way of knowing where boilers sold in Northern Ireland to trade may have been ultimately installed. We are not aware of any RHI scheme in the Republic of Ireland that was or is open for business but we are aware that there is one planned to be launched in the future

4(b)(i) We are aware that the GB scheme has a different tariff structure and that the NI scheme was a flat rate with no price cap before 2015.

4 (b)(ii) Not aware of any ROI scheme payments or scheme design.

4 (c) Did not consider this. Please remember the GB scheme started with the tier 1 rate originally double of what it was in NI

4(d) Did not consider

4(e) Did not consider this. Please remember we are Technicians and plumbers not policy makers. Although with an Assembly full of ex terrorists and failed business people.

5(a) Summary of details of communication between on administration employee of R & S Biomass and Seamus Hughes of DETI below:-

Mr Maskery

Updated information on the changes to the non domestic RHI can be accessed on the NI Direct website at the link below.

<http://www.nidirect.gov.uk/rhi>

I trust that this will be helpful to you.

Regards

Seamus

Seamus Hughes

Energy Efficiency Branch
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9532 (ext: 29532)
TextRelay: 18001 028 9052 9532
Web: www.detini.gov.uk



NI Year of Food & Drink 2016

Please consider the environment - do you really need to print this e-mail?

From: Nick Maskery [mailto:nick [redacted]]

Sent: 24 November 2015 15:37

To: NI RHI

Subject: RE: NI Non Domestic RHI Extension post 4 November?

Hello Seamus

Would it be possible to get the details on eligibility for the revised commercial NI Rhi.

Kind regards

Nick Maskery

R & S Biomass Equipment Ltd

Phone; 02881662707

Mob; Personal information
redacted by the RHI Inquiry

Email; nick@rsbiomass.com

www.rsbiomass.com

From: NI RHI [<mailto:NI.RHI@detini.gov.uk>]

Sent: 28 October 2015 15:29

To: Nick Maskery <nick@rsbiomass.com>; NI RHI <NI.RHI@detini.gov.uk>

Subject: RE: NI Non Domestic RHI Extension post 4 November?

Good afternoon Nick

I can confirm that there will be slippage of one week in the introduction of the non-domestic RHI changes. The implementation date will now be 11 November 2015.

Best regards

Seamus

Seamus Hughes

Energy Efficiency Branch
Department of Enterprise, Trade & Investment
Netherleigh
Massey Avenue
Belfast, BT4 2JP
Tel: 028 9052 9532 (ext: 29532)
TextRelay: 18001 028 9052 9532

Web: www.detini.gov.uk

Please consider the environment - do you really need to print this e-mail?

From: Nick Maskery [<mailto:nick@rsbiomass.com>]
Sent: 28 October 2015 15:02
To: NI RHI
Subject: NI Non Domestic RHI Extension post 4 November?

To whom it may concern

Please can you confirm whether or not a 7 day extension now applies post 4 November to the change in the non-domestic tariff rates in NI. Any information that you have would be greatly appreciated.

Kind regards

Nick Maskery

R & S Biomass Equipment Ltd

Phone; 02881662707

Mob; Personal information
redacted by the RHI Inquiry

Email; nick@rsbiomass.com

www.rsbiomass.com

5(b) As above where you will see that questions were raised to Department officials to clarify dates for the implementation of planned changes to the Non Domestic Scheme in November 2015.

It should be noted that the 2015 changes to the scheme needed to go to the Assembly as legislation change was needed for the amendment to the scheme that ran until February 2016.

This change was talked about from the summer of 2015 but as the Assembly was on holidays it was not possible to go to the Assembly. In late August/early September of that year, the Assembly collapsed; therefore it was no possible to bring any change to the legislation therefore the scheme would remain in the original form until the Assembly was sitting again.

It also seems that the Assembly/Dfe has a complete disregard for legislation anyway as the retrospective and retroactive changes made earlier this year have complete disregard for common law.

Another example of this below.

We may have to add the current JV with the Dfe to this

THE GOVERNMENT MUST ALSO RESPECT THE LAWS IT IMPOSES ON ITS CITIZENS

The case of Samim Bigzad reveals the wretched state of respect for law in uk country by its own lawmakers.

UK Government expects its citizens to be law abiding and not to flout "due" process in this country. For example, when demonstrators act illegally, or when public workers go on strike, we hear Government representatives telling us these people must follow proper judicial action and not break the law or go on strike.

Yet the case of Samim Bigzad reveals the utter contempt our leaders have for the law when it applies to them. When such leaders are so devoid of moral authority, it undermines a country's sense of wellbeing.

Now, more than ever, our Government needs to show its respect for the people living in its country, and obey the laws that apply to it as much as it applies to us. How can we pride ourselves on being a fair and just society when our judicial system is treated with withering scorn by our leaders?

5 (c) As above in 5(a)

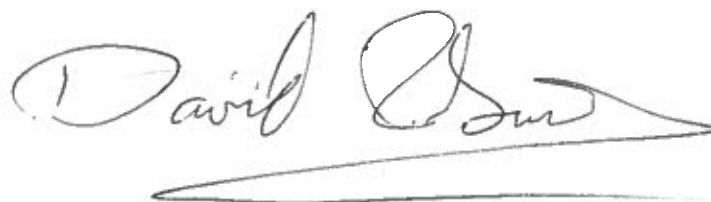
5(d) None known

6. None known

7(a) None known

7(b) None known

8. None known

A handwritten signature in black ink, appearing to read "David Owen". The signature is written in a cursive style with a long horizontal flourish underneath.



Biomass Equipment Ltd

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R&S Biomass Equipment response to the RHI consultation process

Susan Stewart
Department of Enterprise, Trade and Investment
Room 44
Netherleigh House, Massey Avenue,
Belfast
BT4 2JP

RE: Development of the Renewable Heat Incentive in Northern Ireland

Consultation Response

- 3.1 Yes. We agree the Renewable heat incentive is the best way forward for Northern Ireland.
- 3.2 We think if the RHI is specifically tailored for Northern Ireland it should also be administered by an organisation in Northern Ireland this should make it less confusing and ofgem are not generally known for being efficient or helpful. Action Renewables for example administered previous grant applications in N.Ireland successfully.
- 3.6 I cannot understand how Geothermal can be considered renewable considering electricity is the main source of energy especially if transmission losses are considered.
- 3.7 No. Technologies have different levels of break support to the UK and it is evident that most of those break points are also disadvantageous to Northern Ireland. We also have concerns about the rationale for having different levels of support in Northern Ireland to GB.

Biomass boilers have 2 break points in GB at 200kW and 1 MW. NI proposes to have one break point at 45kW. It would be severely disadvantageous to the industrial and educational (schools) sector as little or no installations would be below 45 kw. In GB there is also a break point within the amount of energy eligible for the higher tariff and this would surely encourage the conservative use of energy.

District heating needs to be considered including when attached to CHP which receives ROCs. The major misconception around CHP is it is mainly associated with electricity. CHP should be designed around the heat load available to the installation where a large percentage of the heat is

considered useful heat (not heat consumed within the process to sustain the CHP). This generally means being connected to DH.

3.8 No. We recognise and agree that the cost of oil in Northern Ireland is more than the cost of gas in GB and these can be considered as the counterfactual fuels. However there is a complete lack of recognition within the Cambridge Report that the cost of biomass in Northern Ireland is also more expensive in Northern Ireland than in the rest of the UK.

The Cambridge figures do not recognise the cost of replacement fuels in Northern Ireland, and it is these figures upon which the differing levels of RHI support have been based. It is difficult to recommend what the level of support should be for all of the technologies in NI, when the basic assumption about the cost of biomass fuels in NI is inaccurate. We recognise that the oil is more expensive than gas and that over-incentivisation should be avoided. However the basic assumptions about the cost of alternative fuels and of the rate of increase in the cost of fuels going forward are also defective. There is also likely to be a considerable difficulty associated with raising finance for Renewable Heat projects in Northern Ireland if there is a different and lower level of support in Northern Ireland. Lending institutions such as banks and Asset Finance Companies will see a higher level of return in GB for identical projects. Investors including Eco companies will also gravitate towards GB as the level of return will be higher. This is likely to be a considerable disincentive to projects in Northern Ireland.

3.9 Yes. We think it is reasonable, practical and fair.

3.10 No

3.14 We feel that the scheme should be administered in NI

3.15 Yes. Reviews are necessary to ensure the scheme is delivering its intended objectives.

3.16 Yes. Grandfathering would be necessary for financing purposes of many projects

4.2 We feel that case by case consideration would be suitable but if the future expansion of the gas net is part of this consideration we feel it would be disadvantageous to many companies especially in the short term.

4.3 It is unclear how this would be implemented if in line with the rest of the proposal complete new combustion equipment would need to be installed to avail of support

5.1 Yes

5.2 The proposed support levels under the RHI premium payments seems suitable. We would also suggest that the tariffs set out in the proposal are also suitable for domestic with a break in biomass at 45 kw this would be much more suitable for domestic than commercial.

5.3 Gas customers across all sectors should equally be encouraged to switch to renewable non fossil fuels.

. It seems that GB is trying to reduce dependency on gas while it is being given preference in NI

6.2 We suggest that district heating is supported when connected to CHP or heat only generators but needs to be supported sooner. The major problem with renewables CHP is that very few sites with an adequate heat load exist this could be built up with heat only generators and CHP added at a later date. This would open possibilities for RDW CHP etc to supply heat in the future. CHP should be sized to match the base heat demand we feel that it is wrong to support electricity production if large amounts of heat is being wasted. Co Generation is only viable when connected to a suitable heat demand.

6.3 Again district heating should be supported and heat which is exported receives the RHI we do not think heat which is required to sustain the process in AD should be supported.

7.3 Yes

Kind Regards

R&S Biomass Equipment Ltd