



Mr Jonathan Ewing
Ewing Farms Ltd
51 Thornhill Road
Dungannon
BT71 4DF

9 May 2018

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 may be aware from media reports 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 your involvement with the Non Domestic Renewable Heat Incentive Scheme in Northern Ireland ('the 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.

The aim of the enclosed Notice is to require you to provide all relevant evidence within your knowledge 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 have no evidence, please state this in your response. Where you 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.

If it would assist you, I am happy to meet with you (or your legal representative) to discuss what evidence you may be able to provide and whether it is covered by the Inquiry's request.

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 a legal representative or representatives, 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 88 of 2018]

1. Provide details of your occupation(s) and/or employment during the period November 2012 to the date of answering this Notice.
2. Explain why you first became interested in the Non Domestic Renewable Heat Incentive Scheme in Northern Ireland ('the RHI Scheme').
3. Please explain the direct or indirect involvement that you had with, or in relation to, the RHI Scheme or any aspect of it prior to its suspension in February 2016. In particular, please provide full details of the following:
 - a. Why you decided to apply to the Scheme;
 - b. The date each of your biomass boilers was installed;
 - c. The date you made each application to the Scheme;
 - d. The date each of your biomass installations was accredited;
 - e. The installed capacity (in kW) and efficiency of each of your biomass boilers;
 - f. The date upon which you received your first RHI payment;
 - g. The person or company you employed to provide and install each of your biomass boilers; and
 - h. The person or company, if any, you engaged to assist with each of your applications to the Scheme.
4. Explain when and why you started work in the poultry sector. In particular, explain whether your decision to enter this sector and/or the timing of such entry was related in any way to the availability of subsidies under the RHI Scheme.
5. Provide, for the period from November 2012 to date, a summary of the following:
 - a. The dimensions (length and breadth) of each of your poultry houses;

- b. The size (in bird numbers) of each crop produced per house and the number of such crops per annum per house (if there is any difference in this regard between houses served by renewable heating and those which are not or between the period prior to accreditation under the RHI Scheme and the period following accreditation, please set it out and provide an explanation for it);
 - c. The annual heat demand (in kWh) of each house (if there is any difference in this regard between houses served by renewable heating and those which are not or between the period prior to accreditation under the RHI Scheme and the period following accreditation, please set it out and provide an explanation for it).
- 6. It appears to the RHI Inquiry from information provided to it that you applied for accreditation of an installation or installations under the RHI Scheme between August 2015 and 18 November 2015 when there was a marked 'spike' in the number of such applications generally. As to that (and in respect of each such application), please address the following matters:
 - a. Why did you make an application to the Scheme at that time?
 - b. Did anyone encourage you to make an application to the Scheme at or around that particular time? If so, please identify who did so, when, and what reason was given for the encouragement.
 - c. Were you warned in any respect about the possible introduction of cost controls, tiered or amended tariffs, or an annual eligible heat cap into the Scheme? If so, in respect of each such warning, beginning with the earliest, please identify who provided this warning, when they did so, how it was communicated and (insofar as you can) in what terms.
 - d. Without prejudice to the generality of sub-paragraph c. above, were you in contact with any Minister, Special Adviser ('SpAd') or Civil Servant in

respect of proposed changes to the Scheme? If so, please provide full details including, in respect of each such contact, who it was with, when it occurred, how it occurred and (insofar as you can) the substance of what was said, discussed or communicated.

- e. Please explain, in respect of your installation(s) for which application for accreditation to the Scheme was made within the above period, how long it took from ordering the relevant plant to it being installed and commissioned.
 - f. Please explain any steps taken by you to expedite your application to the Scheme, including steps taken in order to ensure that your application was submitted in advance of 18 November 2015.
7. Please advise whether you have any connection with the Ulster Farmer's Union ('UFU') (such as, for example, being a member of it) and, if you do have such a connection, please provide full details of same.
8. Please advise whether you have any connection with Moy Park (such as, for example, supplying chickens to Moy Park and/or being a member of a Moy Park Growers' Association) and, if you do have such a connection, please provide full details of same.
9. Specify whether you were encouraged by the UFU and/or Moy Park and/or anyone connected with either entity to seek accreditation under the RHI Scheme, were assisted in doing so, or were provided with information which encouraged you to apply or to consider applying or which influenced the timing of such application. Please provide full details of such information, including, but not limited to, the identity of the person(s) providing the information, the relevant dates and any and all documentation relating to this.
10. Specify whether you were encouraged by any other party to seek accreditation under the RHI Scheme, were assisted in doing so, or were provided with information which encouraged you to apply or to consider applying or which

influenced the timing of such application. Please provide full details, including the identity of the person or persons concerned, the relevant dates and any and all documentation relating to this.

11. Specify whether you used any information which had been shared with you to advise, encourage, assist, or cause other persons to apply, or consider applying, for accreditation under the RHI Scheme. In respect of any such instance, please provide full details, including (but not limited to) the information you shared, the third party concerned and the date of any steps taken by you in that regard.
12. Specify whether you are aware of the UFU and/or Moy Park sharing information in relation to the RHI Scheme (in particular, but not limited to, information about the amendment of the Scheme or the introduction of costs controls into the Scheme) with any other persons, giving details of the identity of such other persons and what information was shared in relation to the RHI Scheme, as far as you can.
13. Please provide details of each and every communication, either direct or indirect, between you and any other person in relation to the RHI Scheme (providing the nature, date, and place of each communication as well as details of the persons between whom each such communication occurred).
14. Specify any email addresses used by you and any telephone numbers used by you in relation to any communication about the RHI Scheme.
15. Specify when you first became aware that tariffs payable under the RHI Scheme exceeded the cost of biomass fuel used to produce heat and/or the cost of producing a unit of heat (so that there was an incentive in some cases to produce heat merely to make profit from the Scheme) and how you so became aware. Without prejudice to the foregoing, please also provide details of the following:

- a. The type of biomass fuel burned by each of your / your business' biomass boilers (for example, wood pellets or wood chips) and, in the case of wood chip (if applicable), the moisture content of same;
 - b. Whether you / your business were able to obtain a discount on fuel prices by, for example, bulk buying, group buying, and/or entering into a long-term supply contract and, if you were so able, please provide details of this;
 - c. The prices paid by you / your business for each fuel type (in £/tonne and/or p/kWh) including details of how these prices changed over time (if applicable);
 - d. Any other operating costs you / your business incurred (e.g. electricity) when producing heat with biomass fuel;
 - e. the steps (if any) taken by you to alert other persons (including, for example, DETI or Ofgem officials, the UFU, Moy Park, and/or other poultry farmers) to the fact that the relevant RHI tariff exceeded the cost of biomass fuel and/or the cost of producing a unit of heat with biomass fuel.
16. The Enhanced Capital Allowances Scheme (ECA) was available for certain renewable energy technologies, including some of those falling within the RHI Scheme. This enabled businesses to claim 100% tax relief on the purchase of eligible equipment in the year of purchase. In relation to this, please explain:
- a. Whether you availed of such relief in respect of any of your biomass installations;
 - b. If so, please explain:
 - i. At what stage you became aware of the ECA scheme and how you became so aware;

- ii. Whether you were encouraged to avail of the said tax relief, providing all relevant details of who encouraged you, and when and how they did so;
 - iii. Whether the prospect of benefitting from this tax relief enhanced your interest in the RHI Scheme;
 - iv. Whether you were aware at any time of any changes that occurred in respect of the ECA system (such as, for example, the removal of any renewable heat technology from the list of technologies eligible for 100% write-off in a single year), including, in particular, how you became so aware;
 - v. The date(s) on which you purchased your biomass boiler(s);
 - vi. The date(s) on which you registered with the ECA scheme;
 - vii. The amount of tax relief you benefitted from for each biomass installation under the ECA scheme, providing all documentation in relation to this;
- c. Whether you applied for, received or in any way benefitted from any further form of financial assistance in order to purchase and/or install any biomass boiler(s) and related heating systems which are accredited under the RHI Scheme, (including but not limited to, grant aid, interest-free loan, tax relief or any other form of financial incentive).

17. Except to the extent that it has already been comprehensively addressed in your answers to the foregoing questions, provide details of your past and current connections (if any) with the following, insofar as they are of potential relevance to the RHI Scheme and the Inquiry's Terms of Reference:

- a. The Democratic Unionist Party ('DUP');
- b. Action Renewables;
- c. The Renewable Heat Association of Northern Ireland ('RHANI').

18. Except to the extent that it has already been comprehensively addressed in your answers to the foregoing questions, please set out any potential risks, flaws, problems, anomalies, loopholes, or other issues regarding the RHI Scheme which came to your attention, setting out details of when you first became aware of each such issue and the actions (if any) taken by you as a result.

19. Except to the extent that it has already been comprehensively addressed in your answers to the foregoing questions, please provide any further evidence within your knowledge or belief 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.

P. HAUGHEY & CO.

WIT-220511

SOLICITORS

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Our Ref: PMH/AMCR/CV/9096

Your Ref:

13th June 2018

Date:

Chairman
RHI Inquiry
1st Floor
Waterfront Plaza
8 Laganbank Road
Belfast BT1 3LR

RHI/189



Dear Sir,

**RE OUR CLIENTS – JONATHAN EWING AND EWING FARMS LIMITED
51 THORNHILL ROAD, DUNGANNON, CO. TYRONE, BT71 4DF**

We refer to the above matter and enclose herein statement of Jonathan Ewing.

Yours faithfully,



PAUL HAUGHEY

P. Haughey & Co. Solicitors is a trading name of P. Haughey & Co. Solicitors Limited Registered Number NI 615556 whose registered address is 21 William, Street, Dungannon, Co. Tyrone, BT70 1DX. V.A.T. Reg. No. 517 8640 29

ENQUIRY TO THE RENEWABLE HEATING INCENTIVE SCHEME**RHI REFERENCE – NOTICE 88 OF 2018****DATED 12TH DAY OF JUNE 2018****WITNESS STATEMENT OF JONATHAN EWING**

I Jonathan Ewing of 51 Thornhill Road, Dungannon, Co. Tyrone will say as follows:-

1. Egg producer
2. I have been in the poultry business since 1995. There is a significant problem within the business with poultry waste. Since 2010 I have been looking at drying poultry waste and using it as a fertilizer. I had come up with a business model based on this process and the RHI Scheme suited to work with the proposed business.
3.
 - A. See paragraph 2 above
 - B. 2015
 - C. 4th November 2015
 - D. 19th February 2016
 - E. 99 kilowatts. Efficiency – 90%
 - F. 25th May 2016
 - G. Hegan Bio Mass Limited
4. My decision to enter the poultry industry was not related to the subsidies under the RHI Scheme. I have been involved in the poultry industry since 1995 and working full time in it since 2001.
5.
 - A. N/A – I work in egg producing so the boilers don't heat the poultry houses
 - B. N/A
 - C. N/A
6.
 - A. I had been to Germany in 2014 at the Eurotier Exhibition. I started looking into drying and palletising poultry waste after I saw the benefits of this process at the exhibition. After looking into the prospect of using the scheme on my poultry farm, I was told that I needed 600 kilowatts of energy to dry the poultry waste to the 90% dry matter that was required. I explored the business further and the RHI Scheme was available to meet the energy needs of the new business.
 - B. I looked into the scheme after neighbours had mentioned it to me. I contacted DFE and they confirmed that the scheme was available to me and encouraged me to apply. Seamus Hughes was the person I dealt with in DFE in or around July/August 2015. I was told then what I needed to do and Mr Hughes encouraged me to apply on this basis.
 - C. I received no warning. I was told by Seamus Hughes that it was a guaranteed payment scheme. I only became aware of the changes through BBC News.
 - D. From when I was told by Seamus Hughes that I had guaranteed payments to seeing the BBC News broadcasts, I had no contact with anybody in relation to proposed changes to the scheme
 - E. The plant was ordered in July 2015 and installed on the 5th November 2015.

- F. I was working with a German company to make sure that all installations took place before the deadline. This deadline however was constantly changed and put back
7. I am a member of the Ulster Farmers Union
8. No.
9. No.
10. No.
11. No.
12. No.
13. Hegan Bio Mass Limited, IDS, Peter Tallon, Big Dutch Man, Francis Glackin, Armstrong Electrical
14. Personal information redacted by the RHI Inquiry and 028 87 761793
- 15.
- A. G30W20, Virgin Woodchip
 - B. No.
 - C. £95-£100 per tonne. I had to collect the fuel and transport it
 - D. Electric to run the boiler - £4,500 per year, servicing boilers - £6,000 – labour and £6,000 parts per year, £22,000 on deashing and maintaining boilers.
 - E. I don't believe that there is a profit to be made from producing heat under the scheme when all costs are taken into consideration
16. A. Yes
- B. i) I was advised when tax returns were being submitted by my accountant
 - ii) Accountant
 - iii) No
 - iv) No
 - v) July/ August 2015
 - vi) 2016
 - vii) £ Personal information
- C. Ulster Bank Loan
17. A. None
- B. None
 - C. I am an ordinary member
18. The 99 kilowatt boiler paid out more money than the bigger boilers. I checked with Seamus Hughes and he said it was ok to install 6 of the 99 kilowatt boilers rather than a smaller number of the larger boilers.
19. I have a significant interest in the matter set out in the terms of reference as I invested £ Personal information redacted by the RHI in a dryer, renovation of a drying shed, electrical works and boiler as part of a

business venture. I have been involved in the poultry industry since 1995. Throughout that time disposing of poultry waste has been a major problem. In 2010 I installed a drying system in a poultry house for air mixing in an attempt to convert some of the waste into fertiliser. This system ran on electric and was very expensive to run. As this system could only achieve 43% dry matter, only limited amounts of the poultry waste could be used as a fertiliser. I attended an exhibition in Germany in 2014 where I saw a system that allowed palletisation of poultry waste which could be converted to an organic fertilizer if the poultry waste could be dried to a level of 90% dry matter. This system would allow all the waste from the business to be converted to fertiliser. I saw this as an opportunity to both deal a financial problem for myself and an environmental problem for the industry and society in general. By being able to palletise the poultry waste and sell it as an organic fertilizer I would be adding value to a waste product and turning it into a product for sale.

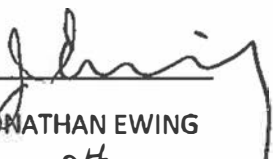
Following numerous meetings and investigations I was informed that I would need 600kw of heat to allow for the drying of the poultry waste. I looked into ways of getting this level of heat and consulted about making an application under RHI Scheme. I decided that the business venture was viable and submitted a successful application to the RHI Scheme to commence the works. I started renovation works in June 2015 and finished the first phase of the development in October 2015. This first phase required an investment of £380,000 to install a dryer, renovate the drying shed, carrying out electrical works and install the boilers. This £380,000 does not take into account the considerable time expended by me and my employees. I obtained a £Personal information redacted by the RHI Inquiry loan from Ulster Bank and the rest was taken out of the business.

The next phase was to purchase and install the palletising equipment. This was due to start once the drying phase was running smoothly. It was envisaged that this would be approximately 18 months after the renovation works finished in October 2015. In the meantime I consulted with Invest NI and obtained reports into the palletising equipment and the business in general. Before the palletising equipment could be funded and purchased, the RHI scandal became a major issue. No bank would lend for the purposes of purchasing the palletising equipment due to the association with the RHI Scheme and its uncertainty over payments. I can now not complete the project due to the lack of funding. It should be noted that my proposed business would still be viable even on the revised terms of the RHI Scheme.

I have now been left significantly out of pocket and unable to complete a viable business project and diversification of my previously successful business.

Statement of Truth

I believe that the facts stated in this Witness Statement are true

Signed 
 JONATHAN EWING
 Dated this 13th day of June 2018