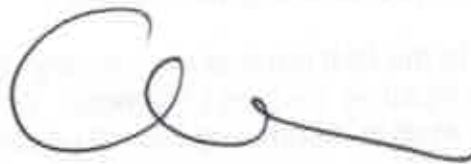


The Government remains fully committed to these reforms. The regulations to enact these changes require the affirmative resolution procedure in Parliament. We are also required to submit draft regulations through a process of pre-legislative scrutiny by the Joint Committee on Statutory Instruments (JCSI). It is my aim to provide the JCSI with the remaining RHI reforms in autumn 2017, and, subject to their clearance, I also aim to lay the remaining RHI reforms early in the New Year 2018. This will be followed by a six to eight week period for parliamentary debates. These timings are indicative, and subject to parliamentary scheduling.

I hope that this provides you and your members with clarity regarding the process for tariff uplifts, and reassurance that the Department is working to lay the reforms as soon as is possible.

You may also like to know that the Government published its Clean Growth Strategy on the 12 October, where it sets out plans to decarbonise the UK economy through the 2020s and beyond, building on our successful record to date. It includes ambitious proposals on housing, business, transport, natural resources and the public sector. For further information, please follow this link: <https://www.gov.uk/government/publications/clean-growth-strategy>.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'C. Perry', written in a cursive style.

CLAIRE PERRY MP
Minister of State



Department for
Business, Energy
& Industrial Strategy

Claire Perry MP
Minister of State for Climate Change and
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Our ref: MCB2017/24707/VJ

1 December 2017

Dear Charlotte,

Thank you so much for your email of 23 October 2017, regarding delays to the Renewable Heat Incentive (RHI) reforms and the impact on Anaerobic Digestion (AD) projects. I have also received similar correspondence from Mr Craig Chapman, Chief Operating Officer of Clearfleau Limited and I have responded to him directly.

I recognise that the delays to the RHI reforms are causing difficulties for businesses with potential AD projects in the pipeline, such as Clearfleau. I can assure you that the Government remains committed to introducing the full package of RHI reforms as soon as possible.

In December 2016 the RHI Government response committed to:

- Reverse any degressions to biogas tariffs between the date of the Government response and the reform regulations coming into force. These tariffs are 4.50p/kWh for small biogas, 3.53p for medium biogas and 1.32p for large biogas, taking the April 2017 inflation uplift into account;
- Reset biomethane tariffs to those available between April and June 2016. These tariffs are 5.44p/kWh for Tier 1, 3.19p for Tier 2 and 2.46p for Tier 3, taking inflation into account;
- Introduce feedstock restrictions for any biogas produced by AD;
- Remove digestate drying as an eligible heat use.

The Government response also stated that applicants that enter the scheme between 14 December 2016 and the date on which the regulations come into force, will be able access the higher tariff from the date those regulations come into force, provided that they also accept the feedstock restrictions and the restrictions on digestate drying, from this same date. The December 2016 Government response can be accessed on GOV.UK at: [www.gov.uk/government/uploads/system/uploads/attachment_data/file/577024/RHI Reform Government response FINAL.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577024/RHI_Reform_Government_response_FINAL.pdf).

Examples of how the feedstock requirements will interact with RHI support payments are available on page 31 of the Government response. Applicants can apply now and access the higher tariffs set out in this response.