



Department for the

**Economy**

An Roinn

**Geilleagair**

[www.economy-ni.gov.uk](http://www.economy-ni.gov.uk)

Peter McCallion  
Clerk to the Committee for the Economy  
[peter.mccallion@niassembly.gov.uk](mailto:peter.mccallion@niassembly.gov.uk)  
cc [committee.economy@niassembly.gov.uk](mailto:committee.economy@niassembly.gov.uk)

Adelaide House  
39-49 Adelaide Street  
Belfast BT2 8FD  
02890 529333  
[private.office@economy-ni.gov.uk](mailto:private.office@economy-ni.gov.uk)

**Our ref: CQ DfE 328/26**

**Your Ref: EC2026:690**

**Date: 24 02 2026**

Dear Peter

### **RHI Closure Bill - AME**

Further to your letter dated 13 February, outlining the Committee's query on the future use of any remaining Annual Managed Expenditure (AME) funding following implementation of the closure arrangements for the Non-Domestic RHI Scheme. Please see response below which has been cleared by Minister Archibald. This submission may be exempt from disclosure under Exception 12(4)(e) of the Environmental Information Regulations 2004.

The Department is now moving quickly towards closure of the RHI Scheme. This is an important milestone and will provide much-needed clarity on the level of AME funding that may be available to support renewable heat production going forward. Officials are already engaging with the Department of Finance and the Treasury on the treatment of this funding.

Decisions on the future use of any residual AME funding are not straightforward. Treasury rules require any future arrangements to be comparable with the use of renewable heat AME funding elsewhere. In practical terms, this places constraints on

the type of intervention that could be supported, with any future approach needing to be demand-led, non-domestic, and based on renewable heat production rather than capital grant funding support. The Department will continue to engage with Treasury to explore the scope for flexibility within these constraints

In the interim, the Department has begun work on potential options that could fit within these parameters.

Any proposal would require further development and appraisal, engagement with stakeholders, and would be subject to the necessary approvals, including a business case agreed by the Department of Finance and approval from Treasury.

Yours sincerely

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**Departmental Assembly Liaison Officer**



Northern Ireland  
Assembly

## Committee for the Economy

Departmental Assembly Liaison Officer  
Department for the Economy  
[abu@economy-ni.gov.uk](mailto:abu@economy-ni.gov.uk)

Our Ref: **EC2026:690**

13 February 2026

Dear DALO,

### **RHI Closure Bill - AME**

Please accept the Committee's thanks for the oral and written evidence provided by officials at the meeting of 11 February 2026 in respect of the RHI (Closure of Non-Domestic Scheme) Bill.

The Committee expects to conclude formal clause by clause scrutiny on 18 February 2026 and to agree its report on the Committee Stage on 25 February 2026. The report will be published and the Committee Stage will conclude very shortly thereafter.

The Committee agreed to write to the Department seeking clarification on how the remaining unused Annual Managed Expenditure (AME) will be utilised going forward following the agreement of closure arrangements for the Non-Domestic RHI Scheme.

A written response on or before 20 February 2026 would be greatly appreciated. The Committee would also greatly appreciate any related background policy information that the Department can provide.

If you require further information or clarification in respect of the above, please do not hesitate to contact me.

Yours sincerely,

*Peter McCallion*

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**Peter McCallion**  
Clerk to the Committee for the Economy