

RHI Biomass Boiler Installations

RISK LOG

	Risk	Likelihood	Impact	Containment
1	Project costs exceed budget	2	5	Identify all costs at beginning of project and agree with supplier. Contain 'project creep'.
2	Unforeseen complications/disruptions during construction phase	2	5	Make contractors fully aware of all site arrangements, services and buildings etc.
3	Failure of equipment supplier to meet target times.	1	5	Contract conditions.
4	Failure to comply with correct procurement process.	1	3	Supervision by Procurement Manager. Supplier selected in accordance with Code of Practice.
5	Failure of new installation to achieve legal and health & safety requirements	1	5	Preparation of specification. Contractor selection based on experience and successful delivery of previous similar contracts
6	Staff not adequately trained in operation of equipment	1	4	Plant operates automatically, routine maintenance procedures learnt at pilot sites.
7	Supplier goes bankrupt	2	4	Financial assessment to be undertaken as part of bid assessment.
8	RHI scheme cancelled or tariff reduced prior to installation	2	4	Final assessment can be made after tendering stage, and <u>immediately</u> prior to ordering.
9	RHI payments significantly less than forecast	2	5	DECC currently states that RHI support levels are guaranteed for the agreed life of the equipment and will be adjusted to offset inflation.
10	Useful life of equipment less than expected	1	4	Twenty year prediction considered conservative based on experience with existing plant
11	Woodfuel costs rise significantly higher than those of Natural Gas	2	4	Diminishing Natural Gas reserves and increasing use of waste wood for Biofuel (with associated commercial competition) make this unlikely.

OPPORTUNITIES LOG

	OPPORTUNITY	Likelihood	Impact	COMMENTS
1	Saving in prime fuel costs	5	5	Although rises in both gas and woodfuel costs are likely, all indications are that woodfuel will remain cheaper.
2	Significant reduction in CO ₂ emissions.	5	5	Woodfuel will always be, inherently, "cleaner" than fossil fuels.
3	Potential to receive RHI funding beyond payback of principal project costs.	5	5	Scheme offers very significant grant-benefit beyond prime cost payback.