

**NIRIG response to Electricity Market Reform (EMR): Potential synergies and conflicts of interest arising from the designation of the Great Britain (GB) System Operator (National Grid Electricity Transmission plc) as delivery body for the proposed Capacity Market and Feed-in-Tariff Contracts for Difference (FiT CfDs)**

**DRAFT**

The Northern Ireland Renewables Industry Group (NIRIG) is a joint collaboration between the Irish Wind Energy Association (IWEA) and RenewableUK. NIRIG represents the views of the large scale and small scale Renewable Energy Industry in Northern Ireland, providing a conduit for knowledge exchange, policy development support and consensus on best practice between all stakeholders in renewable energy.

NIRIG welcomes the opportunity to respond to the DECC/Ofgem letter seeking views on the potential synergies and conflicts of interest arising from the designation of National Grid as delivery body for EMR.

As an industry group we provide our full support for the RenewableUK response to this consultation, and ask that this support be noted. In particular, we would like to highlight the following issues outlined in response to Q4 as being of specific concern:

*The absence of National Grid in Northern Ireland leads to a number of hurdles to overcome as to how it could act as EMR deployment agent there. For example, National Grid may not be able to access all the information necessary to make appropriate decisions. Other complications include the*

*difference in legal environments requiring a separate contract with separate criteria, a different strike price taking into account difference between SEM and BETTA, and the non-existence of the Balancing and Settlement Code (BSC) intended to manage the FiT CfD counterparty agreement. Further adding to the complexity is the fact that unlike Great Britain there is a long queue for grid access in Northern Ireland. With 'Connect and Manage' in Great Britain developers are assured of timely connections, but in Northern Ireland there is no such guarantee raising questions if/when there is little FiT CfD volume left by the time generators are able to connect. At what point will developers be eligible to sign onto a contract? And how will National Grid effectively manage this process?*

We look forward to further engagement on this issue in the summer, when DECC and Ofgem will test emerging conclusions on the nature and scale of any potential conflicts of interest and recommendations for mitigating actions, as appropriate.

Yours sincerely,

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