NIRIG
NORTHERN IRELAND
RENEWABLES INDUSTRY GROUP
The Voice of IWEA & RenewableUK in Northern Ireland

Forsyth House
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**NIRIG response to DETI Draft Economic Strategy: Priorities for Sustainable Growth and Prosperity**

**22nd February 2012**

The Northern Ireland Renewables Industry Group (NIRIG) is a joint collaboration between the Irish Wind Energy Association and RenewableUK. NIRIG represents the views of the 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 DETI Draft Economic Strategy: Priorities for Sustainable Growth and Prosperity. NIRIG welcomes the fact that the economic vision of the strategy extends to 2030 and believes that this timeframe facilitates positive longer-term strategies for the Northern Ireland economy. We would like to recommend that the Programme for Government and SIB investment strategy also have regard to this longer-term view.

NIRIG welcomes the principle of sustainability (5.120) that cuts across this draft Strategy. NIRIG believes that building economic prosperity and opportunities for current generations, without compromising the ability of future generations to enjoy a quality of life that is both positive and rewarding is an appropriate approach to economic development. We believe that one core method of building sustainability in the economy is to reduce reliance on imported fuels and develop the natural renewable energy resources of Northern Ireland.

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It is positive that DETI recognises the need to target areas which have potential for growth and that these have been identified through the science/ industry MATRIX panel. However, we are surprised that renewable energy was not identified as an exploitable market in this initial review, given that renewable energy is a growth industry and Northern Ireland has a considerable wealth of potential resources both onshore and offshore.

We welcome that MATRIX is currently conducting further analysis into the market opportunities presented by the sustainable energy sector and NIRIG would be pleased to offer support into this research.

NIRIG would like to make the following comments on some specific areas of the draft strategy:

**Strategic Energy Framework and renewable energy targets**

A key rebalancing measure outlined in the draft strategy (1.12) encourages industry to achieve 20% of electricity consumption from renewable sources and 4% renewable heat by 2015. However, there are no specific actions outlined here to facilitate the meeting of these targets, and there is no reiteration of this key measure anywhere else in this strategy. NIRIG has concern that the targets may be insufficient to allow Northern Ireland to reach its objectives for 40% of electricity consumption to come from renewable energy sources by 2020 as outlined in the Strategic Energy Framework (SEF).

Given the short time-frame between 20% in 2015 and 40% in 2020, NIRIG believes that it will be necessary to enshrine the commitments as contained within the SEF in legislation, including but not limited to the transposition and

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implementation of the requirements of the European Union Renewable Energy Directive for all relevant Government departments.

As the representative industry body in Northern Ireland whose members have developed more than 90% of the renewable energy operational today, and are likely to contribute the majority of future renewable energy generation in the next 8 years, NIRIG is committed to the SEF targets but remains convinced of the need to apply more rigorous interim targets to facilitate this, and put in place an effective monitoring framework.

A key action (5.47) concerning the renewable energy sector which purports to 'encourage and develop the green economy and develop the sustainable energy sector' is vague in the extreme and would benefit from the inclusion of specific methods of developing and encouraging the sector, for example facilitating investment through long-term, stable renewable support mechanisms and guaranteeing sufficient grid development, as noted below.

The strategy acknowledges (5.73) that NI has low levels of electricity generated from renewable sources, with gas, coal and oil accounting for 90% of power generation, and recognises that this leaves the region vulnerable to fluctuations in both supply and pricing, while also presenting important environmental considerations.

NIRIG agrees with this statement and would like to see a strategy outlined on how the specific targets within the SEF can be met by 2020. A key action outlined in 5.85 is to 'Deliver the 2011-15 objectives of the Strategic Energy Framework'. Again, we note that there are no interim targets contained within the SEF that have regard to electricity consumption from renewable energy sources.

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NIRIG would also like to highlight some additional objectives contained within the SEF:

| Action Number | Objective | Timeframe |
|---|---|---|
| SEF 2 | Ensure the Single Electricity Market continues to encourage investment and is flexible enough to meet changing generation and demand patterns, with the aim of securing the lowest possible wholesale electricity price. | Ongoing in co-operation with NIAUR and the energy industry |
| SEF 11 | Implement European Union Directives and Regulations in a timely and pragmatic manner in order to promote and enhance regional energy infrastructure and security of gas supply | Ongoing in relation to IME3 with a transposition target date of March 2011 |
| SEF 18 | Work with other Departments and key players to develop a cohesive, Executive endorsed, framework for sustainable energy messaging in Northern Ireland | By September 2010 |
| SEF 24 | Consult and, if necessary, legislate on the Department's and the Northern Ireland Authority for Utility Regulation's statutory duties so that sustainability is given a higher priority in relation to other duties | By 2012/13 Legislative Programme |

We note with concern that two of these objectives (SEF 11 and SEF 18) have timeframes which have already passed. NIRIG would urge that resources and emphasis are placed on the specific objectives as outlined in the SEF, including, but not limited to those highlighted above.

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The draft strategy highlights the need (5.87) to overhaul our energy infrastructure to ensure it will be fit for purpose through to 2050. This will include long term investment in the electricity grid, exploring prospects for further development of the natural gas network, encouraging proposals aimed at increasing the security of our energy supply and underscoring our commitment to further integration of EU gas and electricity markets.

NIRIG welcomes the understanding that investment in energy infrastructure is crucial, and agrees that long term investment will be required to deliver the SEF targets and beyond. However, there is no detail on the level of investment or the timeframe involved in making the energy infrastructure fit for purpose, and without these monitoring of targets will be extremely difficult.

Again in the area of infrastructure, NIRIG notes the absence of a specific target relating to the growth of an export market for energy, or the facilitation of greater interconnections between and among electricity markets. The Rural Development Strategy (SRC 2.3) states that it will aim to ‘Develop a cohesive network of cross-border and trans-regional infrastructure’ to ‘encourage cross-border energy interconnections to create an all island energy market with linkages to the Great Britain and European markets distribution grids’. The North-South Tie-line would be one crucial piece of infrastructure to help deliver this target and its absence is of concern.

Energy policy is affected by more than one government department and is highly dependent on an independent non-ministerial government department for delivery. It is therefore important to facilitate working together, across and beyond organisational and social boundaries. Regular meetings with the Sustainable Energy Interdepartmental Working Group would be one method of ensuring closer collaboration, as well as the re-institution of the All-Party

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Group on Energy. DETI has committed to ensure co-operation between the Utility Regulator, NIE and SONI to deliver new electricity grid infrastructure and NIRIG would be pleased to contribute industry perspectives.

**Marine Bill**

In section 5.76 the strategy proposes a key action of a Marine Bill, which will provide for a marine spatial planning system and a proposed initial marine plan due in 2014. NIRIG welcomes the proposed initiative and in particular the further streamlining of certain energy licences (5.85)

**Planning**

In section 5.49, the draft strategy outlines the need to rebalance the NI economy and encourage business growth and indicates a target that will 'ensure faster and more predictable processing of planning applications and achieve new, more stretching performance targets'. NIRIG supports the emphasis on faster processing of planning applications and welcomes an action that includes a 'new duty to further sustainable development and well-being' (5.85). However, the budget for Planning Service drops from £10.4 million in 2010-11 to £5 million in 2014-15 and NIRIG has concerns that the associated loss of staff will impact upon the ability of DOE to meet this target.

The draft strategy also outlines a process of locally-led planning and regeneration (5.84); including the development of spatial Local Development Plans enforcing planning decisions which will help place a sharper focus on local economic development. NIRIG would urge that going forward wind farm applications will remain with central planning services, through the strategic planning team. This is where expertise and experience to deal with these specialist applications currently exists and should remain. Thus, the strategic planning team there should be maintained or supplemented if improvements in speed of planning outcomes are to be achieved.

NIRIG welcomes the opportunity to comment on this consultation. If there are any queries on the above, please contact:

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