



Rural Enterprise

POLICY COMMITTEE



The Rural Enterprise Committee has met on two occasions since the 2014 AGM.

Letter to DARD Minister - In June 2015, the Rural Enterprise Committee wrote to the DARD Minister highlighting our concerns about DARD policy in relation to Small Scale Renewables. The Minister replied highlighting DARD's role in developing the REAP (Renewable Energy Action Plan) in 2010 (and its subsequent review in 2012). This did placate our concerns. The Small Scale Renewables sector in NI has no sustainable basis to evolve and we highlighted the fact that DARD have a role in looking to how Small Scale Renewables in the land based sector will develop without subsidised support.

Renewable energy and biomass research at AFBI - At the end of August 2015 DARD announced that they would be withdrawing funding from renewable energy and biomass research at AFBI.

Northern Ireland Renewable Obligation (NIRO) for Small Scale Wind - On 30 September 2015, the Department of Enterprise Trade and Investment Minister Jonathan Bell launched a consultation stated DETI's intention to close the NIRO early for onshore wind one year early. This was in despite of having publically stated 3 months previously that DETI had no intention of closing the NIRO early. The main reason for the proposed early closure is that DECC in London have refused to socialise the costs of keeping the NIRO open until 2017 for all scales of wind, including wind farms. According to DECC, keeping it open until 31 March 2017 would involve passing the cost to the NI consumer in their energy bills. However, if you break this down into small scale wind, the additional cost is miniscule. The UFU have consistently asked that small and large scale wind generation is separated and that this is taken into consideration in separate consultations and that NIRO remains open for small scale wind up until the previously agreed closure date. This decision will leave many UFU members out of pocket financially having committed much time and money into what are viable renewable projects.

- **Judicial Review** - The UFU, in conjunction with Simple Power launched an application for a Judicial Review against the decision in December 2015 and we are still awaiting a final decision from DETI.

DECC and Small Scale Feed-in Tariff

In September 2015, DECC in their "Consultation on a Review of the Feed-in Tariff Scheme" set out their intention not to extend the small scale Feed-In Tariff scheme to Northern Ireland. UFU replied to this consultation questioning the reasoning behind their decision. The UFU wanted to know if DETI challenged DECC on this because as it currently stands, come 1st April 2017, there will be no support for small scale renewables in Northern Ireland. UFU are calling for

parity of treatment within the UK by demanding the introduction of the GB FIT into NI. We remain realistic in our expectation that the tariff level will not match current ROC support levels, but it needs to act as an incentive for the uptake of future renewable energy generation.

Renewable Heat Incentive

DETI announced the closure of the scheme on 5 February 2016. The scheme was set up to encourage domestic and business users to change to biomass heating systems and was very popular with the local poultry industry by way of heating their business units. According to DETI officials when briefing the NI Assembly ETI Committee £30m would have to come out of the block grant in 2016/7 to pay for it. The UFU met with DETI officials in July 2015 and warned them of a pending spike in applications and despite this they were unprepared for the 900 applications which were submitted the following autumn. On 22 February it was announced that the scheme would be extended by two weeks and would close on 1 March.

Future Support of Small Scale Renewables

The UFU are on record stating that there is a need for a seamless transition from NIRO to some form of support for small scale renewables. Any future form of support does not need to match the current levels, rather it needs to be an incentive to allow a farmer to integrate renewable energy generation into their farm business to allow them to embrace innovative technologies such as micro-grid and storage solutions, leading to them improving energy efficiency in their businesses.

Rating of small scale renewables

The Non-Domestic Revaluation, known as REVAL, has resulted in the rateable value for renewable electricity generation (>50kW) increasing significantly and developers receiving hefty bills since April 2015. Whilst the UFU are not opposed to the principle of rates, we do not agree with lumping small scale electricity generators with pubs, hotels and shops. UFU have met with Land and Property Services to discuss. The UFU have written to the Finance Minister to consider a Renewable Energy Generation Scheme Relief Scheme similar to that which has been in operation in Scotland since 2010.



enough to prove the need for the FBIS element of the NIRDP. The UFU actively encouraged members to complete the WFNA and submit to DARD. Over 2000 WFNA surveys were completed which ensured funding justification particularly in a time of extreme pressures in agriculture and on Government Budgets.

The committee have discussed a number of elements of the proposed scheme and provided feedback to DARD. The UFU requested that everything possible is done to ensure the delivery of the programme is both simple and efficient without excessive administration costs and bureaucracy. The committee have continued to highlight that they feel that a list of equipment being provided in the lower tier scheme is too restrictive and requires little level of thought from the farmer on the necessity of equipment. The UFU will continue to be involved in the roll out of the FBIS.

- **Young Farmer/ New Entrant:** Under EU regulation the option is available for young farmers/ new entrants to avail of an extra 10% (other farmers would receive 40%) when applying to grant funding. The EC Regulation states that this additional support was only available to those who met the EU definition of a young farmer i.e. under 40, relevant qualification and set up as head of holding within the last 5 years. The UFU expressed their disappointment at the EU Regulation ruling out young farmers who were under 40 and were progressive in taking up head of holding more than 5 years ago. For this reason the UFU carried out an internal consultation on additional young farmer support and the final decision was to back a 40% grant rate for all farmers but crucially

with the selection criteria weighted in favour of all applicants under the age of 40. The UFU believed this solution was fair given the limitations on the scheme imposed by Brussels. The decisions taken by the European Commission on young farmer definition were flawed and we have been, and will be pressing, for this to be looked at again as part of the mid-term review of the CAP in 2017.

- **Local Action Groups (LAGs):** The UFU encouraged members to attend the various LAG meetings and register as members and it was positive that a large range of farmers were subsequently elected to LAG Boards. LAG's have been progressing quickly with LAG Strategies developed. The committee have raised concerns that it is difficult for private LAG board members to debate against the strength of councillors who always have time to attend and party stances on issues.

NI Rural Development Programme 2007 - 2013: The UFU continue to be represented on the Northern Ireland Rural Development Programme 2014-2020 Monitoring Committee and its sub-groups, it currently is going through the process of advising on the closure of the 2007-2013 rural development programme by reporting on results, achievements, impacts, efficiency and effectiveness of the programme.

CHAIRMAN: ALEX IRWIN
SECRETARY: DAVID OLIVER



NIE

The UFU held regular meetings with NIE throughout 2015/16 including the Chief Executive, the Assets Director and Connections team regarding grid connection issues and ongoing projects.

• Grid Connection

- **Renewable Grid Liaison Group (RGLG)** - The UFU remain members of RGLG representing the interests and concerns of UFU members with small scale renewable generation units connected to the electricity grid.
- **RP6** - RP6 is the regulatory price control that will set the costs all consumers of electricity pay to NIE Networks, through their supplier, in return for service levels set by the Utility Regulator. It will apply from 1 October 2017. At the end of April 2015, the UFU were invited to attend the Consumer Engagement Advisory Panel (CEAP) and shared our views on the way forward for small scale renewables. The UFU stressed that there needed to be wider thinking with regard to how energy storage and microgrids could be factored into the workings of RP6. The UFU also responded to the Utility Regulator consultation on this.
- **Project 40 NIE Managed Connection Project** - Connecting individual small scale renewable energy generation units to the 11kV electricity network in Northern Ireland remains a major problem for our members. The NIE-led Project 40 (managed non-firm grid connection) is nearly completion.

UK Union meeting

The UFU (Rural Enterprise Chairman and Senior Policy Officer) hosted a meeting of UK farming Union renewables policy officials. Discussions included planning, land use and access to finance were designed to create a broad framework that ensures farmers around the UK can continue to play a leading role in a renewables.

Energy Policy in EU/Great Britain/Northern Ireland

- **GB Government Energy Policy** - The policy at Westminster is at best unclear and at worst contradictory in terms of Energy Policy. The following figures are a stark contrast to the cost savings which DECC has highlighted to justify the early closure of the RO scheme. The IMF recently published data highlighting the difference between Fossil Fuel Subsidies and those paid to Renewables. The UK's fossil fuel sector received more than £26 billion in subsidies this year, which over £400 per citizen, which accounted for 1.4% of UK GDP, interesting to note that UK defence spending is 2.1% of GDP. The cost of supporting renewable energy in 2014/15 was £3.5 billion. In other words £22.5 billion less.
- **NI Government Policy** - DETI have withdrawn two schemes which encouraged the uptake of small scale renewables.

The UFU concern is that UK government energy policy is focusing again on the fossil fuel sector with small scale renewables being abandoned. Take for example the current practice of Mothballing newly constructed power stations, where gas powered stations being built but are being paid to remain idle. UK Energy Policy falls short of what the European Commission have been advocating.

- **EU Energy Policy** - The European Commissioner for Climate Action and Energy Arias Canete provided a speech on the new Renewable Energy Union in Spring 2015. During his speech, he set out how renewables fit into his vision for a sustainable energy and climate future stating that energy markets and grids have to be fit for renewables, not vice versa and that this has to be improved as a matter of urgency.

Anaerobic Digestion and Bioresources Association Exhibition/Seminar (July) and Conference (December)

Rural Enterprise Chairman and Senior Policy Officer attended these events. The Exhibition/Seminar was held at the Birmingham NEC. The UFU continue to seek a sub 50kW Anaerobic Digestion solution for Northern Ireland, one which uses on-farm feedstocks and most importantly of all, a solution which is affordable and has no reliance on ROC/FIT support to make it viable. The UFU also used the opportunity to lobby of the non-domestic Rating of AD in Northern Ireland. The UFU also attended the Annual Conference which was held in Central London

Energy Storage

In February 2016, the UFU were invited to the AES UK & Ireland official opening of the 10MW Advancion energy storage facility at Kilroot Power Station. This storage array is an innovative way to strengthen the electric grid while reducing costs and system-wide emissions. It is a two year pilot project, the first of its kind in the United Kingdom. It represents the first step towards a planned 100MW energy storage array, with this added capacity due to be available in 2017, making it the largest energy storage facility in the EU.

One of the main implications of this project is that it will integrate with local wind energy. This will allow the more efficient management of this intermittent resource and provide support to the grid.

UFU Rural Enterprise Committee have been looking at energy storage for 3 years and the developments at Kilroot could have ramifications for our own small scale on-farm renewable energy sector. The storage array at Kilroot allows the rapid and scalable employment of energy, this is because it was built on a block-by-block basis (the array utilises 53,000 batteries, arranged in 136 separate nodes). This model could be deployed, on a significantly lesser scale, on local farm businesses that already have a wind turbine installed. This would allow them to use the generated electricity when they need it most on the farm.

CHAIRMAN: GARY HAWKES
SECRETARY: CHRIS OSBORNE

BEFORE YOU MIX SLURRY, STOP AND THINK!

Remove all stock, open all doors and stay out for at least 30 minutes after mixing starts.



STOP AND THINK

SAFE

SLURRY ANIMALS FALLS EQUIPMENT

For more advice on farm safety,
visit hse.gov.uk/farmsafe

Received from Ulster Farmers' Union on 15/06/2017
Annotated by RHI Inquiry

hse
CONTROLLING RISK TOGETHER



Department of
Agriculture and
Rural Development
www.dard.ie
in Gaeilge
Talmhaíocht agus
Forlártha Tíre
in Gaeilge
Fairsne an
Kítrá Forlártha