

# Direct tion post 2014

Rural Development Programme, or possibly the CAP reform, which will soon be coming to the NI Agriculture Strategy Board recommendations.

Everyone is aware that as the CAP reform our existing Favoured Areas (LFA) are being re-designated and a new scheme is being introduced. While we would prefer the existing scheme stay it is recognised that this is an EU driven change.

However, the UFU has made it clear that an ANC scheme should continue in pillar 2 and be fully matched, not merged into Pillar 1 as proposed by DARD. Moving it into Pillar 1 would result in a significant reduction in possible scheme funding and would also provide no opportunity for transitional support for DA farmers who would in future be excluded from what will be in effect an ANC focused scheme.

Against the background of proposing the continuation of future ANC support and some form of support scheme for suckler cow pro-

ducers within our next Rural Development Programme, the Union acknowledged that this will most probably necessitate the transfer of some funding from Pillar 1 to Pillar 2. However, since the decision was taken that there will be no money transferred from Direct Support into the Rural Development pot, it is essential that the necessary funding is made available from within the future Northern Ireland Rural Development Programme (NIRDP) budget itself to fund important farmer targeted schemes like these.

"The EU requirement is for a minimum of 5 per cent of this budget to be spent on the wider rural 'Priority Six' measures and the UFU, in our response to DARD's earlier consultation on Northern Ireland's 2014-2020 Rural Development Programme, clearly outlined our position that no more than this amount should be used for these measures."

Check out next week's UFU Watch where the Union will outline their position on some of the other key issues of CAP Direct Support reform.

# Union meets with OFGEM in London

On 4 December 2013, UFU Rural Enterprise Chairman Gary Hawkes and Senior Policy Officer Chris Osborne met with the Office of Gas and Electricity Markets (OFGEM) at their Millbank HQ in London.

OFGEM is the GB government regulator for the electricity and downstream natural gas markets in Great Britain. It was formed by the merger of the Office of Electricity Regulation (OFFER) and Office of Gas Supply (OFGAS).

OFGEM plays a crucial role in the administration of many aspects of Renewables in Northern Ireland. The two main topics for discussion included the NIRHI and the NIRO.

- OFGEM have developed specific criteria that need to be met;
- \* Written confirmation from the owner/operator providing details of the original rating of the turbine and the amended rating as well as the details of how exactly the turbine was de-rated.
- Written confirmation from the manufacturer of the de-rated turbine confirming;
- \* That de-rating modifications have been completed on the turbine
- \* Generating capacity of the turbine
- \* Effective date of modification

A statement from the generating station operator and manufacturer confirming that OFGEM will be notified of any changes made to the turbine control parameters.

- Written confirmation from an independent (suitably qualified) party confirming;
- \* De-rating modification has taken place
- \* Verification of the parameters set on-site at each wind turbine controller
- \* Measurement of the TIC of the installation
- \* The turbine controller can only be accessed by authorised persons (so the de-rating cannot be altered without a clear audit trail).

By way of a disclaimer, the above information is only for guidance as OFGEM consider each application on a case to case basis. This is only a selection of the specific criteria and further information can be provided by emailing OFGEM at [renewable@ofgem.gov.uk](mailto:renewable@ofgem.gov.uk).

**The Future**  
Going forward, the UFU raised the matter of integrating Battery Storage in the future and implications for the accreditation process. OFGEM confirmed that they were looking at this and would keep the UFU updated.

The message the UFU took from the meeting was that to ensure a smooth transition process, as well as meeting standard accreditation criteria, would-be generators should consider the above information if considering the de-rating of a turbine.

**1. RHI Administration**  
Whilst the Northern Ireland Renewable Heat Incentive (NIRHI) policy and tariff rates are set by the Department of Enterprise, Trade and Investment (DETI), it is OFGEM who oversee the accreditation process. OFGEM confirmed that there are a large number of 99kW biomass boilers awaiting accreditation.

**2. NIROC Accreditation**  
OFGEM administer and oversee the accreditation process for the NIRO. This is in accordance with the NIRO Order on behalf of the Northern Ireland Authority for Utility Regulation (NIAUR) under a Agency Services Agreement. Accreditation is a prerequisite before a generator can start receiving ROC payments. The UFU emphasised the need for a speedy accreditation process, any delays at this stage of the project could have significant financial implications for would-be renewable generators.

Whilst many of the criteria are straight forward, OFGEM confirmed that the de-rating of turbines can cause delays in the accreditation process. However this can be overcome by considering the following information.

It is the responsibility of the applicant to declare to OFGEM that the Total Installed Capacity (TIC) deviates from the nominal capacity rating of the generating equipment. The applicant should provide OFGEM with sufficient evidence to satisfy them that the TIC claimed in their application is in accordance with the NIRO Order.

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Annotated by RHI Inc  
Barry Bell, UFU deputy president

Farmgate 11/1/14