

From: [Clydesdale, Alison](#)
To: [Mills, John \(DETI\)](#)
Cc: [Dolaghan, Paul](#); [McKeown, Mary \(DETI\)](#)
Subject: Draft sub-ETI Committee update into inquiry into Renewable Energy
Date: 29 May 2014 10:25:51
Attachments: [Draft sub- ETI Committee Report into their inquiry into Renewable Energy-May 2014 update.tr5](#)
[Table of Recommendations -ETI Inquiry-update May 2014.tr5](#)
[SEF Implementation Plan - March 2014 - to be updated \(Annex C \).tr5](#)
[RAG Status Report - March 2014 \(Annex D\).tr5](#)

John

Please find attached a submission for the ETI committee – update on the renewable energy inquiry they did a few years back. We are still tasked with reporting twice a year.

It usually issues with the SEF implementation plan – which I think you may already have from Paul.

It has not been formally tabled in the ETI committee FWP – although updates are usually provided each year in May and November. The plan would be to try and send it to the ETI committee before the end of the session – the Clerk may request it earlier. They normally just note it. They would be unlikely to call us.

Alison

From: McKeown, Mary (DETI)
Sent: 12 May 2014 14:50
To: Clydesdale, Alison
Subject: Draft sub-ETI Committee update into inquiry into Renewable Energy

Alison

Please find attached a draft submission in respect of the ETI Committee update report on their inquiry into Renewable Energy. This update needs to be with the Committee clerk by 22 May 2014 for the Committee meeting on 29 May 2014. Please note that Paul is still in the process of getting John to clear the SEF and the RAG report so the TRIM version may change.

Mary

Mary McKeown

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From: John Mills

Date: 19 June 2014

To: 1. Andrew Crawford
2. Arlene Foster MLA

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UPDATES ON THE RECOMMENDATIONS INCLUDED IN THE ETI COMMITTEE REPORT ON THEIR INQUIRY INTO RENEWABLE ENERGY & THE STRATEGIC ENERGY FRAMEWORK (SEF) IMPLEMENTATION PLAN

Issue: Biannual updates to the ETI Committee on **(a)** progress towards the implementation of recommendations included in the report on their inquiry into renewable energy; and **(b)** progress on the objectives in the SEF Implementation Plan.

Timing: Updates are normally in May and November each year.

Need for referral to the Executive: Not applicable.

Presentational Issues: None at this stage.

Freedom of Information: Fully disclosable

Programme for Government/ PSA Implications: Much of the work in the SEF implementation plan and the ETI committee report contributes to PfG targets for renewable energy.

Financial Implications: None at present.

Legislation Implications: None at present.

Statutory Equality Obligations: None.

Recommendation: That you agree to the issue of the draft letter at **Annex A** to the clerk of the ETI Committee. The updates are attached at **Annexes B, C and D** respectively.

ETI Committee Report on their Inquiry into Renewable Energy

The ETI Committee published the report on its Inquiry into 'Barriers to the Development of Renewable Energy Production and its Associated Contribution to the Northern Ireland Economy' in February 2011. The report included 25 recommendations which focused on a number of Departments and bodies as well as the Executive. There are now only five recommendations remaining for which updates are required.

2. We agreed to provide updates biannually (in May and November each year). This update reflects developments since November 2013. The ETI Committee agreed that the report should only include those recommendations against which there are actions still to be completed. The current position, including input from other departments, is detailed in the table at **Annex B**.
3. It is now more than three years since the Committee issued its Report and the vast majority of the actions are complete. DETI has outstanding actions remaining on **Recommendation 1** which is in relation to bringing all responsibility for energy policy and strategy under a single Government department and **Recommendation 11** which is about the introduction of a small scale Feed in Tariff (FIT).

Strategic Energy Framework (SEF) Implementation Plan

4. It was also agreed that Energy Division would provide progress updates on the Strategic Energy Framework (SEF) Implementation Plan to the ETI Committee on a six monthly basis. The last update to the Committee detailed progress to the end of September 2013 and was provided on 18 November 2013 and another update is now due.
5. An updated SEF Implementation Plan reflecting progress until the end of March 2014 is attached at **Annex C**. Reports on the 2 actions with an amber status – this is as requested by the ETI Committee (for all action plan updates from the Department) are attached at **Annex D**.

Recommendation

6. That you agree to the issue of:
 - (i) the draft letter at **Annex A**;
 - (ii) the update on the implementation of the Committee's report on its Inquiry into Renewable Energy at **Annex B**; and
 - (iii) the update on the SEF Implementation Plan (**Annex C and Annex D**).



JOHN MILLS
Energy Division
Ext 29215

cc: David McCune
 Alison Clydesdale
 Paul Dolaghan
 Alastair Ross, MLA, APS

Jim McManus
Committee Clerk
Enterprise Trade and Investment Committee
Northern Ireland Assembly
Room 424, Parliament Buildings
BELFAST
BT4 3XX

June 2014

Dear Jim

UPDATES ON THE REPORT ON THE INQUIRY INTO RENEWABLE ENERGY & THE STRATEGIC ENERGY FRAMEWORK (SEF) IMPLEMENTATION PLAN

Inquiry into Renewable Energy

The Department responded to the Committee on the “Report on the Committee’s Inquiry into Barriers to the Development of Renewable Energy Production and its Associated Contribution to the Northern Ireland Economy” on 27 June 2011, and supplied additional information following Committee consideration on 11 August 2011. Updates on progress towards implementation of the recommendations were provided on 21 November 2011, 23 May 2012, 21 November 2012, 15 May 2013 and 18 November 2013. I am now writing to advise you of progress since the last update; and, as agreed by the Committee following the May 2013 update, this covers only those recommendations against which there are ongoing actions.

The current position includes input from other departments with responsibility for a number of the recommendations. The information provided should be considered in conjunction with the update provided in November 2013. The majority of the actions are now complete.

Strategic Energy Framework

It was also agreed that updates on the SEF Implementation Plan would be provided every six months and the attached version reflects progress up to the end of March 2014.

Yours sincerely

JOHN MILLS
Head of Energy Division

Update on progress towards implementation of recommendations in the Committee for Enterprise, Trade & Investment’s Inquiry into Renewable Energy – May 2014

Recommendation	DETI Update (November 2013)	DETI Update (May 2014)
<p>1. The Barnett review stated that the Executive must provide clear focus and leadership to the range of energy policy issues as a separate and distinct Government priority. The Committee supports this recommendation and calls on the Executive to provide appropriate leadership in delivering the overall energy agenda by bringing all responsibility for energy policy and strategy under a single Government department</p>	<p>Response provided by: OFMDFM</p> <p>No further information is available at this time.</p>	<p>Response provided by: OFMDFM</p> <p>On 31 May 2012 the Executive agreed that DETI, DFP and DSD would undertake a time-bound study, led by DETI, to consider the consolidation of existing energy efficiency vires, together with associated staff and resources, within an existing single Department. DETI has advised OFMDFM that they have put this work on hold pending the outcomes of a number of parallel projects to review the structures and functions of Government Departments.</p>
<p>11. DETI should undertake an analysis to determine the costs and benefits to the Northern Ireland economy, business and renewable energy developers of introducing a FIT for small-scale generation along the lines of what has been introduced in GB.</p>	<p>Update provided by: DETI</p> <p>The study and its findings, which was undertaken by Cambridge Economic Policy Associates, was shared with the Minister and the ETI Committee in October. The study concluded that the GB small scale FIT can be adapted for use in Northern Ireland and that the same technologies should be supported under the same tariff levels as in GB. The necessary legislative powers for a FIT are currently being drafted as part of DETI’s Energy Bill.</p> <p>The intention remains to have a small scale FIT in place before the NIRO’s closure to new applications in 2017.</p>	<p>Update provided by: DETI</p> <p>Work continues on introducing a small scale FIT from 1 April 2017 which is based on the GB FIT. This includes addressing differences between the mechanisms such as the different domestic customer base thresholds for licensed electricity supplier participation in NI and GB.</p>

Recommendation	DETI Update (November 2013)	DETI Update (May 2014)
<p>20. The Utility Regulator should review the process for grid connection to ensure that it is fully transparent and costs are fully explained. Connections for installations should be made in a timely fashion, with both parties aware of how long the process is going to take.</p>	<p>Response provided by: NIAUR</p> <p>The NIE Statement of Charges for connections was updated and is effective from 1 October 2013.</p> <p>The Statement of Charges includes the charging arrangements for Authorised Generators connecting to the network as part of a Generator Cluster and the methodology for connecting groups of generators to the NIE Distribution System using Cluster Substations. These were effective from 9 May 2013.</p> <p>The Utility Regulator has been working closely with NIE to ensure that the Statement of Charges will be updated to cover Annex XII of the Energy Efficiency Directive 2012/27/EU part (b)(iii) to ensure that “The overall process to become connected to the grid should be no longer than 24 months, bearing in mind what is reasonably practicable and non- discriminatory”</p>	<p>DETI has now consulted upon Annex XII of the Energy Efficiency Directive and expect to progress the Regulations within the next couple of months.</p>
<p>24. The Department of the Environment should commence a consultation exercise on permitted development for business and agricultural installations with a view to bringing forward proposals for permitted development in these sectors.</p>	<p>Response provided by: DoE</p> <p>Further to its consultation on small scale renewable technology permitted development the Department has introduced permitted development rights for a range of micro-generation renewable technologies which will apply to all non-domestic buildings including business and agriculture. The permitted development rights came in to operation on 30 April 2013 (S.R. 2013 No. 96) and include solar panels, ground and water source heat pumps, biomass fuel stores and boiler housing. In addition the Department, following a public consultation on permitted development rights for anaerobic digesters on agricultural units, introduced those permitted development rights on 30 August 2013 through Statutory Rule 2013 No. 210.</p>	<p>Response provided by: DoE</p> <p>Nothing further to add to update provided in November 2013.</p>

Recommendation	DETI (November 2013)	DETI Update (May 2014)
25. The Executive must bring forward a programme to develop the renewable energy potential of public buildings. This should include targets and time-scales for substantially increasing the deployment of renewable energy right across the public sector.	Response provided by: OFMDFM Nothing to add to update provided in May 2013.	Response provided by: OFMDFM The Executive is committed to promoting the efficient use of energy and aims to reduce emissions across the public sector estate. OFMDFM encourages the integration of sustainable development considerations, including in respect of efficiency and emissions reductions into investment decisions and estate management.

2014 05 29 10.25 SEF Implementation Plan - March 2014 - to be updated (Annex C) – saved as a separate spreadsheet

ADDITIONAL REPORT ON AMBER RATED ACTIONS**SEF Action No. 5****SEF Objective**

Put in place legislation to establish arrangements for efficient cross border regulation and management of transmission and trading of gas.

2012/13 Milestones

Agree Memorandum of Understanding and draft legislation with Department of Communication, Energy and Natural Resources, Dublin.

Purpose

To provide for single operation and regulation of the two wholesale gas transmission networks in Northern Ireland (NI) and the Republic of Ireland (RoI), set in context of EU Internal Market in Gas. It was proposed that parallel NI and RoI Bills be put in place to include for common duties and responsibilities for Departments, Regulators and a joint regulatory oversight committee.

Progress

Work is on hold following the Republic of Ireland regulator's review of its cost benefit analysis and the prioritisation of EU target model compliance work. While the target model for gas, as part of the European Union Internal Market has not yet been fully defined, the emphasis on EU legislative compliance means that Departments and Regulators are required to focus on this, resulting in the need to consider the merits of proceeding with CAG as originally envisaged.

SEF Action No 33**SEF Objective**

Publish a Renewable Heat Route Map by March 2011 setting out key actions to achieve a 10% contribution from renewable heat by 2020.

2012-13 Milestones

Working with the Renewable Heat Strategy Group to further develop a Renewable Heat Route Map.

Progress

It was proposed that DETI develop a Renewable Heat Route Map that would identify additional actions required in support of the RHI to maximise the potential of Renewable Heat. Whilst DETI is providing financial incentives for renewable heat it was agreed that a cross-departmental approach would be required to ensure these financial incentives were effectively utilised. The target of 10% renewable heat by 2020 is challenging. Examples of issues the Route Map could cover include; Invest NI promotion of renewable heat amongst businesses; DEL promotion of renewable skills; DARD development of renewables in agri sector; DFP promotion of energy efficiency in public sector buildings etc.

The development of the map is to be taken forward by the Renewable Heat Strategy Group and was discussed at the last two meetings of the group. However, while members of the group had a number of suggestions it became clear that the bulk of the work was going to fall on Renewable Heat Branch.

It has not been possible, at this stage, to take this work forward at the same time as developing the domestic RHI. Therefore the work has been postponed, with agreement of the Minister, until the significant work required to develop the RHI is completed.