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To: 1. Andrew Crawford
2. Arlene Foster MLA

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 on recommendations in the Committee's report on renewable energy; and
- (b) progress on the objectives in the SEF Implementation Plan.

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

Need for referral to the Executive: Not applicable.

Presentational Issues: None at this stage.

Freedom of Information: Not discosable – policy formulation

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 focussed on a number of Departments and bodies as well as the Executive. There are now only 5 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 May 2014. 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 three and a half 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 which detailed progress to the end of March 2014 was provided on 23 June 2014 and another update is now due.
5. An updated SEF Implementation Plan reflecting progress until the end of September 2014 is attached at **Annex C**. Reports on the actions with an amber or red 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**).



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November 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. Updates are provided twice a year. 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 May 2014. 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 September 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 – November 2014

Recommendation	DETI Update (May 2014)	DETI Update (November 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>Update 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>Update provided by: OFMDFM</p> <p>Nothing further to add to update provided in May 2014.</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>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>	<p>Update provided by: DETI</p> <p>DETI is working with DECC on support for small scale renewables post 2017. DECC is planning a review of the small scale FIT in GB in 2015 and it will be necessary to consider the outcome of this before finalising the policy for small scale support in NI.</p>

Recommendation	DETI Update (May 2014)	DETI Update (November 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>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>Update provided by: NIAUR</p> <p>The Utility Regulator wrote to NIE on 12 August 2014 regarding their connection process. We have asked NIE to respond on how it proposes;</p> <ul style="list-style-type: none"> • to address the issues; • to provide a methodology to apply reporting/auditing procedures to prevent future reoccurrence; • to provide proposals setting out a timetable to complete an assessment of the connections process and implementation of remedial measures; and • to state how NIE will improve its customers relationships in relation to connections. <p>We have also reviewed NIE's Statement of Charges for Connection to the distribution System (SoC). As part of this review we have challenged NIE on both costs and times and have ensured that the principles and methodologies within the SoC are clear and transparent.</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>Update provided by: DoE</p> <p>Nothing further to add to update provided in November 2013.</p>	<p>Update provided by: DoE</p> <p>This work has been completed with the introduction of Permitted Development (PD) rights in April 2013 and August 2013. No further action required on this recommendation.</p>
<p>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.</p>	<p>Update provided by: OFMDFM</p> <p>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.</p>	<p>Update provided by: OFMDFM</p> <p>Nothing further to add to update provided in May 2014.</p>