

To: Committee Members
From: Sohui Yim, Assistant Committee Clerk
Date: 16/12/2011
Subject: **Strategic Energy Framework: Implementation plan update**

Background

1. Included in papers is an update of the Strategic Energy Framework (SEF) implementation plan.
2. The Committee last considered this item in October 2011, when members recommended that clearer targets and outcomes should be included in the plan. The Department responded by stating that clear targets and outcomes exist in the plans for the key projects that are linked to the SEF. This response is also included in papers.
3. The latest implementation plan has included appropriate changes to wording around the existing milestones. However, the Department has states that, *"the Minister and DETI officials have reviewed the SEF Implementation Plan and do not consider the addition of further interim targets and milestones to be appropriate at this juncture"*

Content

4. It seems that there has been progress on most of the 43 objectives in the plan. The paper with the details of the specific projects that are part of the SEF also includes more comprehensive actions/targets, however that are a few that have large periods of time between actions. For example, under the objective of *"promotion of longer term integration of the Single Electricity Market (SEM) within a British Isles and European wholesale electricity market,"* the actions/targets state that *"during period 2012/2013, work with key stakeholders to deliver Internal Market in Electricity compliance by 1 January 2014 (except for capacity allocation and congestion management."* The paper gives no details of the work that will be done in 2012/2013, and even in the years 2014/15. Northern Ireland's electricity market needs to be compliant with the EU electricity model by 2016.
5. Another project that will have an important year in 2012 is the possible extension of the gas network. The paper from the Department states that, *"by January 2012, of government subvention may be available, prepare draft terms of reference and agree tendering arrangements with DFP for a detailed business case for gas extension."* There is no narrative on the progress to date.
6. The Renewable Heat Incentive for Northern Ireland is expected to be implemented by April 2012, and final policy position is supposed to be agreed by 31 January 2012. There is no narrative on the progress to date.

Suggested way forward

7. Members may wish to request the plan ahead for the years 2012-2015 to ensure that Northern Ireland is compliant with EU electricity model by 2016.
8. Members may wish to request an update and progress report for the gas extension and renewable heat incentive projects.