

Draft NILGA response to Department for Economy on an Energy Strategy for NI - Consultation on Policy Options

Executive Meeting

11th June 2021

The following response was drafted further to an earlier consideration of key energy issues in a NILGA response to the 2020 DfE Call for Evidence, and several Place-shaping and Infrastructure Network meetings with the Department for Economy Energy Strategy Team, and SONI. It has also been informed by communications with Council Energy Managers and Waste Officers, National Energy Action, Arc21, the National Consumer Council, DAERA and DfI.

The paper below is an INITIAL draft and will be further enhanced prior to the deadline of 30th June. Comments from council Building Control Officers are awaited and will be particularly pertinent to discussions about energy efficiency.

Derek McCallan
Chief Executive

Date: 4th June 2021

1.0 INTRODUCTION

NILGA, the Northern Ireland Local Government Association, is the representative body for district councils in Northern Ireland. NILGA represents and promotes the interests of the 11 Northern Ireland district councils and is supported by all main political parties. The Association welcomes the opportunity to participate in the discussion around a future Energy Strategy for Northern Ireland and we trust that the views outlined below will be taken into account as policy continues to develop and is finalised.

2.0 INITIAL COMMENTS

NILGA welcomes this Policy Options consultation as a vitally important part of the production of an Energy Strategy for Northern Ireland. Such a Strategy is needed, alongside relevant, properly resourced monitoring, regulation and enforcement and will have an impact for many years to come. NILGA latterly welcomed the commitment to an Energy Strategy (with ambitious targets and actions for a fair and just transition to net zero carbon) as well as a commitment to a

Climate Change Act to give environmental targets a strong legal underpinning, set out within the New Decade, New Approach Deal, and we are keen to see further development of regional policy and strategy on these issues.

We are at a crucial point in time for our environment and it is important that we get our Energy Strategy right; that we involve everyone who needs to be involved; that it is given the priority required by all government departments and other partners.

In recent years, decarbonisation has grown in importance in government consideration, and it is now vital to make the changes across government to facilitate the improvements necessary. We need to enable Northern Ireland to decarbonise and to drive the necessary changes to behaviour and culture to ensure Northern Ireland is resilient to coming challenges, with communities empowered with regards to decarbonisation. It is acknowledged that the Energy Strategy will influence policy across a range of Departments and will require sustained central and local government and societal collaborative proactivity over a considerable period of time.

The many examples given throughout the consultation document of council leadership, and partnership working with government, academia and industry are strongly welcomed. NILGA and our member councils are ready, willing and able to work with government, business and the public to begin to meet these challenges, and we look forward to the publication of the Strategy to better inform and focus effort, some of which has already begun.

3.0 SPECIFIC COMMENTS – Responses to Consultation questions

Q1: Do you agree with the overall goal of achieving net zero carbon energy no later than 2050?

YES

Q2: Do you agree with the proposed vision of “net zero carbon and affordable energy” for the Energy Strategy?

YES

Q3: Do the five principles identified provide clear direction around the approach that we want to take with the Energy Strategy?

YES

Q4: Are there any key delivery priorities for the Energy Strategy not captured? If so, please outline what you believe should be included.

Cross-departmental and central-local collaborative policy approaches will be vital to ensuring integration of delivery, therefore NILGA would emphasise the importance of priority 6 – Governance. This is the priority for delivery of the strategy that is likely to be most difficult to achieve.

Q5 Do our proposed indicators adequately allow us to measure success at achieving the proposed Energy Strategy outcome? If not, please advise on what alternative metrics should be used.

- a. Carbon emissions from energy-related sectors
- b. Jobs and turnover in the low carbon and renewable energy economy
- c. Domestic energy costs relative to household income
- d. Business energy purchases relative to business turnover
- e. Households in fuel poverty
- f. Relative electricity & gas prices

Additional metrics related to transport could be considered, given the scale of issues surrounding transport e.g. purchase/uptake of electric vehicles, number of charging points, km of cycle/green way.

Q6. Do you think there are significantly different illustrative scenarios which should be developed? If so, please provide further information.

An alternative to the 'diverse' scenario could be developed, acknowledging the potential concerns around the ethics of biofuel production and associated displacement of / impact on food production, particularly in less developed countries. Future work on costs should take this issue into consideration.

Placing You at the Heart of our Energy Future

Q7: Do you agree with the four consumer population groups we have identified? Please advise on key considerations within each.

- a) Domestic vulnerable consumers
- b) Other domestic consumers
- c) Small businesses
- d) Larger businesses

YES. For all groups, keeping costs down will be a key issue, particularly during transition.

Q8: Do you agree with the five measures identified to “enable and protect” consumers? If not, please outline what else should be included?

- a) Making available information and advice
- b) Offering proactive “wrap-around” support
- c) Providing financial support measures
- d) Driving change
- e) Reviewing statutory protections

YES; while these broad categories present appropriate ‘headlines’ , there is perhaps room to ‘encourage’ for example to increase interest and activity in relation to community energy schemes.

Q9: Do you agree with the proposed scope of the “one stop shop”? Please advise on any different activities you think should be included.

YES

Q10: Which approach do you think should be taken to create this organisation? Please outline your rationale.

NILGA notes the direction of travel within wider government at present to develop use of external organisations to deliver new services (e.g. the Deposit Management Organisation for a new Deposit Return Scheme, a Scheme Administrator for the new Extended Producer Responsibility Scheme for Packaging) and the consequent increase in the number of ‘QUANGO’s. Attention will need to be paid to governance, democratic oversight, controls and costs in relation to the development and implementation of the ‘one stop shop’ approach, particularly if this is to be a body responsible for awarding grants or other financial assistance.

NILGA would be keen to see a conversation emerge between the 11 councils and the Department to look at the feasibility of co-locating the ‘one stop shop’ with the councils, given the large number of related responsibilities councils already have and their familiarity as a trusted source of advice and local service delivery.

Q11: Do you believe that additional financial assistance to protect certain groups of consumers should be introduced? If so, please identify what consumers should be targeted and what support would be needed.

YES. NILGA welcomes the work ongoing to review the financial assistance aimed at protecting consumers elsewhere across the UK and the Republic of Ireland, as part of developing local solutions. Northern Ireland has an unequal society and we must ensure that costs are shared.

Evidence from the Consumer Council (2019) demonstrates the levels of difficulty consumers experience in meeting their energy costs at present and the severity of fuel poverty in NI – a situation which, we believe, has been exacerbated by the ongoing pandemic and changes to work patterns. The most vulnerable must be protected, and we would strongly support the investment costs of meeting net zero carbon energy being shared across the UK. Significant investment will be required in retrofitting homes – particularly in older urban areas.

Northern Ireland has a large agricultural economy and community, with a heavy reliance on fuel, particularly oil. Significant assistance will be necessary to ensure our rural community is decarbonised, and we would encourage support for and development of community energy projects such as those in place in rural areas of Scotland.

Grow a Green Economy

Q12: Do you agree with the four identified priority clean energy sectors:

- a) Energy efficiency
- b) Renewable energy
- c) Hydrogen economy
- d) Circular economy

Please advise on any additional areas that you believe should be prioritised and your reasons for this.

YES. No additional areas proposed.

Q13: Do you agree with the economic growth opportunities identified within energy efficiency? What supporting policies do you believe are needed to take advantage of these?

YES. Contemporised and ambitious building regulations will be required to effect these changes, and must be a priority piece of work for Department of Finance.

Q14: Do you agree with the economic growth opportunities identified within renewable energy?

What supporting policies do you believe are needed to take advantage of these?

YES. It is also noted that there are opportunities in relation to energy from waste from urban sources. NILGA hopes that the forthcoming Green Growth Strategy from DAERA will play a vital part in realising the anticipated opportunities.

Q15: Do you agree with the economic growth opportunities identified for hydrogen production, demand and manufacturing within the hydrogen economy? What supporting policies do you believe are needed to take advantage of these?

YES. As for all the priority clean energy sectors that involve new build, planning will be a key factor in realising the aims of this strategy. Close working with DfI and councils/council planning departments will therefore be required.

Q16: Do you agree with underpinning principles identified within the circular economy? What supporting policies do you believe are needed to take advantage of the potential economic opportunities?

YES. The supporting policies arising from DAERA and Defra work on the Environmenta Bill will be fundamental to the success of a circular economy locally.

Q17: Do you agree that we should develop a green innovation challenge fund? If so, what scale and type of innovative projects should this support?

YES: If the fund is to support early-stage green innovation, there would be merit in operating this fund in a similar way to the Small Business Research Initiative – a ‘green SBRI’ – working with councils and other partners to run competitions for bids locally.

For example, there is noticeable development of a localised ‘centre of excellence’ in relation to circular economy businesses in the Armagh City, Banbridge and Craigavon council area, but a perceived gap regionally in ‘start-up’ circular economy businesses. The changing policy on extended producer responsibility for packaging waste will provide greater opportunities and raw materials for reprocessing locally, and attention will likely fall on other materials (e.g. textiles) and how they can enter a local/European circular economy rather than be packaged for global export.

Q18: Do you believe that we should work with the Utility Regulator to review how energy regulation can facilitate a green recovery and green innovation? If so, how can this be done in a way which protects consumers from the higher risks associated with innovation projects?

YES. Focussed conversations will be required with the regulator and regulated industries, learning from other places, where relevant. Innovation projects could include community energy projects, where local consumers benefit from the project.

Q19: Do you agree with a focus on research mapping, research funding, business linkages and UK opportunity scanning to maximise the impact of the local research base with clean energy specialisms? Please identify specific opportunities in the local research base that could be progressed.

YES. For example, mapping of materials research will be extremely important to maximising circular economy opportunities. The Department has a key role (with local government partners) to play in identifying opportunities and fostering the necessary productive relationships for delivery, between academia, business, finance and other partners.

Q20: Do you believe that utilising and tailoring existing education and training routes can meet the short-term skills needs of the clean energy sector? How can activities within these routes be shaped to meet the needs of the sector?

YES: Short, focussed, certificated training on specific skills may be required in the short term, developed as needs emerge, in addition to the training and skills development noted in the consultation document.

From a local government perspective, to support the development of the clean energy sector, ongoing refinement of the different degree courses required to access employment in councils will be needed, as well as continuing professional development e.g. in spatial and transport planning, building technology, environmental health, community development, environmental management.

Q21: Do you agree with the proposal to establish an Energy Skills Forum to shape the future skills needs of clean energy sector? If so, what do you believe the role, remit and membership of such a group should be?

YES. The role, remit and membership of this Forum as suggested in the consultation document provides a good starting point for further development. NILGA will also be responding to the Skills Strategy and may comment further at a later date.

Q22: Do you believe that there is a need for specific measures aimed at ensuring a just transition in Northern Ireland? If so, please advise on what the focus of these should be in addition to the education and training routes already proposed for a low carbon workforce.

YES: NILGA is particularly keen to ensure that consumers are protected during transition, including by providing support for retrofitting of housing.

Focussed attention will also be required to assist farmers through the transition, and to maintain food security locally while decarbonising the agrifood sector.

More support is likely to be necessary in the form of incentives and infrastructure, to encourage greater uptake of electric vehicle technology (and vehicles using other alternative fuels) by domestic, business and public sector consumers.

Do More With Less

Q23: Do you agree that an energy savings target should be set for Northern Ireland?

YES

Q24: Do you agree that Minimum Energy Efficiency Standards should be set to drive improvements in energy efficiency? If so, what buildings should be the early priorities for introducing minimum standards?

YES. The 390,000 domestic dwellings currently below EPC band C should be the early priority, with further consideration given to improving to band B, once a cost benefit analysis has been carried out.

Q25: Do you agree with the general scale and proposed pace of change outlined in DoF's five phase plan for building regulations? If not, please outline what achievable timescale or programme should be implemented and your rationale for this.

(Comments sought from BCNI – no knowledge within building control of discussions about this.)

Q26: Do you think that we should seek to explore how the rates system can be used to encourage energy efficiency? If so, please outline key issues that would need to be considered.

UNSURE: This is an avenue that might be explored, but NILGA notes the substantial reliance that councils have on the district rate, and the financial pressures that councils are already under as a result of the pandemic – mainly due to this rates reliance - and the wider policy environment. Early discussions have been taking place to reconfigure how councils are financed, with potential for the development of an approach more similar to the systems in other jurisdictions.

- **It is unclear where any intervention would be applied – via the regional rate or the district rate.**
- **It is unclear whether this suggestion within the consultation is limited to domestic rates bills or if it would also include business rates bills.**
- **It is unclear how interventions would apply or be workable in rental properties and the impact this would have on residents. The consultation document itself notes the potential for rates intervention to be a regressive taxation.**

Q27: Do you agree that we should introduce a pilot domestic retrofit scheme by spring 2022, followed by a substantive scheme as part of a “one stop shop” approach? If so, what changes are needed to the wider energy efficiency support landscape to ensure a joined-up approach?

YES. NILGA notes that proposed review of the level of this obligation, the scope of the consumer base across which it is shared and whether it should be extended beyond electricity.

The suggestion is welcomed that the PSO would also be supplemented with additional public expenditure funding sources, therefore increasing the overall scale of support available for energy efficiency. We are aware however, of the ongoing pressures on the public purse.

Q28: Do you agree that we should ring-fence the PSO funding for vulnerable consumers including the fuel poor? Please advise on changes you believe should be made to the level and scope of the PSO for energy efficiency.

YES. NILGA also notes the potential for the PSO to extend beyond electricity providers.

Q29: Do you believe that green private finance solutions have a role to play in supporting domestic consumers to invest in energy efficiency? If so, what specific green finance solutions should be explored?

YES. NILGA has no established view on specific solutions.

Q30: Do you agree that Invest NI should deliver a pilot energy efficiency support scheme for businesses, to be followed by a substantive scheme delivered through the proposed “one stop shop” organisation? If so, what type of support do you believe is most appropriate for different groups of business consumers?

YES. NILGA has no established view on specific supports.

Q31: Do you believe that green private finance solutions have a role to play in supporting non-domestic consumers to invest in energy efficiency? If so, what specific green finance solutions should be explored?

YES. NILGA is supportive of encouraging investment in Northern Ireland, and particularly businesses in Northern Ireland, to improve energy efficiency. We have no established view on specific green finance solutions, but would welcome a conversation with councils in relation to the possibility of extending the government ‘invest to save’ funding scheme, to local government.

Q32: Do you agree that we should seek to develop skills and capability, enhance quality assurance and standards, and use an accreditation body to provide guarantees on work undertaken by the energy services for retrofit sector? If so, how can we help to prepare the sector for these changes?

YES. In recent years, concerns have been expressed and evidence has been building in relation to the quality/appropriateness of retrofitting work that has been carried out in homes across Northern Ireland, including concerns from accreditation bodies e.g. with inappropriate cavity wall insulation causing dampness in some properties. A form of licensed installer system might be a useful approach to ensure quality standards are met and consumers protected, similar to that for gas fitters.

Q33: Do you agree that information, awareness and behavioural change should be a key strand of future energy efficiency support? If so, what are the key behaviours that should be targeted?

YES. Ensuring people are provided with contemporary information, including costs and benefits, of upgrading their domestic energy installations with e.g. thermostatic controls, of making simple changes e.g. keeping doors closed etc. Developing a culture of reducing energy wastage, via campaigns similar to the 'reduce food waste' campaign, and making use of pressure from children and young people.

Q34: What measures do you think can have the most impact to support people to reduce the miles they travel in private vehicles? Please explain your rationale

Better transport planning and greater levels of investment.

- **Increased ability to work from home**
- **Dispersal of public sector jobs across Northern Ireland, to pump-prime the '15 minute neighbourhood'**
- **Design roads for people, not cars – prioritise cyclists and pedestrians**
- **More park and ride schemes,**
- **Improved frequency, reliability and number of routes of bus and train services, including rural community transport.**
- **Greater integration of and connectivity between public transport services.**
- **Investment in fully segregated cycle routes, particularly along main roads/arterial routes.**
- **Secure bike parking,**
- **Sheltered waiting areas**

NILGA particularly welcomes the recognition within the consultation document that the involvement of local councils will be key, via planning policy, community planning and the need for localised and place-based solutions.

Replace Fossil Fuels with Indigenous Renewables

Q35: Do you agree with setting a 70% renewable electricity target by 2030, whilst retaining the flexibility to increase this to 80%?

YES

Q36: Do you agree with the criteria identified that would allow in order to consider any future increases in the renewable electricity target?

- a) **Projects can be delivered in a cost-effective manner.**

- b) Offshore wind can be delivered by 2030.
- c) Storage technologies can minimise system curtailment of renewables.
- d) Greater clarity on electricity demand for heating and transport.
- e) Consumers' bills are not disproportionately impacted.

YES

If not, what alternative criteria might be used?

Q37: Do you agree that we should explore with BEIS the possibility of extending the Contracts for Difference scheme to Northern Ireland? If so, what terms would be needed to ensure generation in the region whilst protecting consumers?

YES. NILGA has no strong view on terms.

Q38: Do you believe it is possible that an offshore wind project in Northern Ireland could be operational before 2030? If so, please outline what targeted actions could be taken to deliver this.

YES, provide the policy and legislation is developed in a timely fashion; the technology is already available. Focussed work on pre-empting possible objections (e.g. from the local fishing industry) and winning 'hearts and minds' may be necessary.

Q39: Do you believe that a fixed platform offshore wind project should be targeted to be part of the renewable generation mix? If so, how would you propose some of the challenges associated could be overcome?

NILGA has no strong view on this issue.

Q40: Do you believe that floating platform offshore wind offers the best long-term opportunities for offshore wind in Northern Ireland's waters? If so, what additional steps could be taken to encourage these projects?

YES. Exploration of how community benefits/community gain could be applied for these and other renewable energy projects is likely to be helpful.

Q41: Do you believe that other marine renewables can play a key role in our renewable generation mix? If so, please identify what technologies offer the greatest potential and what steps can be taken to support these.

YES. Tidal and wave energy may play a part in certain areas, depending on the geography.

Q42: Do you agree that a strategic approach to planning the location of renewable projects should be taken? If so, please outline practical steps that could be taken to deliver this.

YES. Many of our councils have been experiencing large numbers of applications for renewable energy projects, resulting in cumulative 'build-up' of applications, some of which are speculative, and resulting in a lack of clarity in relation to available sites. Several of our councils, due to pressures arising from their geography, have developed focussed local policy and strategy to ameliorate this situation, particularly in relation to wind turbines. Most of our councils currently deal with applications on a case by case basis, with approvals being site dependent.

NILGA would encourage the Department for Economy to work with DfI colleagues and the Heads of Planning in councils to improve regional planning policy on renewables and to develop informed local planning policies. Most of our councils are in the later stages of preparation and examination of the new suite of 11 local development plans, and so the Department will need to be sensitive to the significance and timing of any proposed changes to policy at this stage. A DfI review of planning policy for renewable energy applications, has been anticipated for some time.

Q43: Do you believe that there should be a requirement for renewable developers to share some of the financial benefits of developments with local communities? If so, what share do you think would be reasonable? If not, please provide your rationale.

YES. The issue of community benefits from developments requires urgent attention. NILGA in the past has recommended that this issue be considered 'in the round', as community benefit could also apply to e.g. housing development. This consideration has not taken place and the resulting inaction is failing our communities. If community benefit is taken forward in relation to renewable energy development, we would see this as a positive step. The share applied should reflect arrangements in other UK jurisdictions, to ensure the cost of development min NI is not prohibitive.

Q44: Do you agree with taking separate approaches to on-gas grid and off-gas grid consumers? If not, what approach should be taken?

YES. NILGA welcomes the intent to carry out a study of regulatory and consumer issues that determine consumer choices around decisions relating to heat, to ascertain optimal solutions.

Q45: Do you agree that we should not rule out potential low and zero carbon heat solutions at this stage? If not, please outline your rationale.

YES.

Q46: What low and zero carbon heat solutions do you believe we should prioritise for trials? Please identify where such trials should be focused and what key issues should be tested within each.

NILGA has no established view on specific solutions.

Q47: Do you believe that the role of heat pumps will be different depending on whether consumers are on or off the gas grid? Please outline what you think the specific roles should be.

NILGA has no established view on specific roles.

Q48: Do you agree that Northern Ireland should develop a pilot grant scheme to support low carbon heat technologies for domestic and small non-domestic consumers? If so, please identify key issues that need to be considered in designing and delivering such a scheme.

YES. NILGA has no established view on specific delivery issues at this time, and we look forward to the forthcoming separate consultation.

Q49: Do you agree that legislative and regulatory steps should be taken to facilitate biomethane injection into the gas network?

YES.

Q50: Do you believe that support should be provided to encourage biomethane production for injection into the gas network? If not, please outline what alternative approach should be taken to decarbonising the gas network.

Consistency of supply will be fundamentally important in development this technology. Consideration should also be given to use of hydrogen.

Q51: Do you agree that the local Gas Network Operators should develop and publish a plan to decarbonise gas out to 2050? If so, what key issues must be considered within it?

YES, as per the suggested approach in the consultation. NILGA has no established view on specific issues.

Q52: Do you agree that the sale and installation of new oil boilers should not be allowed for consumers on the gas grid? Please outline your rationale and, if you agree, what a viable timeline for introducing this might be?

Q53: Do you believe that off-gas grid consumers should have the option to retain oil boilers for use with biofuels? If not, what is a viable timeline for introducing a ban on the use of all oil boilers?

Q54: Do you agree that the local Oil Industry should develop and publish a plan on how biofuels could play a role in decarbonising heat out to 2050? If so, what key issues must be considered within it?

Q55: Do you believe that support should be introduced to promote the uptake of biomass for off-grid consumers? If so, please advise on what support is needed and where it should be focused.

Q56: Do you agree that the sale of coal and wet wood should be banned in Northern Ireland? If so, do you believe this should be extended to include other solid fuels with the exception of kiln dried wood?

In response to questions 52-65, NILGA acknowledges the fundamental difficulties involved in moving a fuel-poor, oil dependent population to a decarbonised energy provision, without causing hardship or necessitating bans/legislative intervention.

There is substantial potential for unintended consequences to emerge, e.g. displacement of food production by biofuel/biomass production, local unauthorised use of peat bog or woodland for fuel.

NILGA supports the eight principles set out by the Consumer Council for safeguarding consumer interests, and believe that this presents an easily understood framework to inform decisions. The Department's obligations within the Rural Needs Act will also inform approaches to this area of work.

The energy industry, including the oil industry, must place a central focus on building trust and this must include providing and communicating plans for decarbonisation within the necessary timeframes.

Q57: Do you agree that we should develop a Northern Ireland specific strategy that sets an overarching, long-term plan for cleaner, greener transport and shows how we will meet net zero emissions within the transport sector? If so, what Northern Ireland specific issues need to be factored into this in order to accelerate the uptake of Zero Emissions Vehicles?

YES. There needs to be a fundamental shift in investment, giving much greater financial weight to development of 'clean' public transport (urban and rural) and safe secure cycle infrastructure.

Given our relative lack of rail network, attention will need to be paid to the local logistics and delivery fleet, in partnership with e.g. Transport NI. It is noted that businesses such as Amazon are already using their fleet of electric delivery vehicles in positive advertising messaging. Other businesses may require greater encouragement.

The upfront costs for vehicles and infrastructure can be a significant barrier, particularly for public sector procurement.

Q58: Do you agree that an EV communication campaign should be run in Northern Ireland? If so, what key messages would be most impactful for consumers as part of this?

YES. The benefits need to be articulated, alongside information on costs, distance between charges, simplified 'how to' information on available technologies and what to ask for, video format rather than long or overly complex documents.

Q59: Do you agree that the private sector and local government have a key role to play in developing EV infrastructure? If so, what barriers can government address to ensure that such projects are commercially viable?

YES. Infrastructure needs to include charging stations initially co-located with, but eventually as replacement for petrol stations. Government policy may be required to support this, and financial incentives will also be useful. Development of EV infrastructure needs to be seen as a key priority, and to be kept up to date - keeping abreast of emerging technology.

Better communication is needed in Northern Ireland of incentives and policy arising from DfT in England. Our local departments have a fundamentally important role to play in this, and for supporting local councils and the private sector to access available support.

Focussed consideration needs to be given to how to support inhabitants of urban areas to charge vehicles in our many terraced streets, avoiding hazards for the elderly and disabled (due to a proliferation of on street charging points).

As transport planning was not devolved to councils in Northern Ireland as anticipated, the level of knowledge and skills in this area will need to be ascertained. For councils to play the part they should be and could be playing in development of EV infrastructure, government resource will be needed to ensure the staffing, knowledge and skills are provided locally.

Q60: Do you agree that we should develop an EV Charging Infrastructure Plan in collaboration with public and private partners? If so, what should the key priorities of the plan be?

YES. NILGA has no established view on specific priorities at the present time.

Q61: Do you agree that public sector contracts can be a key driver for developing technologies and markets for alternative fuel vehicles? If so, what specific opportunities are there that could be progressed?

YES. As articulated in the consultation. Councils have a large number of HGV service vehicles, but to replace these with EVs or alternative fuel vehicles can be prohibitively expensive, and work to bring costs down would be very welcome.

Additionally, work could be undertaken e.g. with public sector employers and unions to change the approach to mileage and expenses payments for employees' use of their own private vehicles, and in this way further encourage uptake.

Q62: Do you agree that collaborative research will be important to demonstrate alternative fuels? If so, what are the best routes to identify and progress potential projects?

YES. As articulated in the consultation document. The potential for development and use of a 'green SBRI' scheme might be worth exploring.

Q63: Do you believe that Compressed Natural Gas, Liquid Natural Gas and/or synthetic fuels can play a role as an interim measure to decarbonising transport? If so, how can government help to encourage the private sector to trial and use these fuels?

YES. NILGA has no established view on specific encouragements at the present time.

Q64: Do you believe that CCUS can play a role in Northern Ireland? If so, what potential applications could be the initial focus for demonstration projects?

NILGA is keen to ensure that carbon sequestration through indigenous afforestation and better protection for, and restoration of peatland is prioritised.

Q65: Do you believe that our approach to petroleum licensing should change in line with our commitment to decarbonise energy?

A number of our member councils have agreed that local licensing of fossil fuel petroleum exploration and development is inappropriate.

Create a Flexible and Integrated Energy System

Q66: Do you agree that the Electricity Network and System Operators should produce a pathway to creating a flexible and integrated energy system? If so, please provide evidence to demonstrate what the initial priorities of such a plan be?

YES. Priorities should be affordability for the consumer and security of supply.

Q67: Do you agree that conventional power generation can play an important role in the pathway to decarbonised energy? If so, what opportunities and barriers exist for such plants?

YES, through supporting an electricity system based around renewable generation and incorporating new low and zero carbon technologies.

Q68: Do you believe that further interconnection will be needed in the future? If so, is a new revenue mechanism needed to bring forward this investment?

YES. NILGA has no established view on a new revenue mechanism at the present time.

Q69: Do you agree that our power system should be based around flexible solutions to align demand and supply? If so, please advise on what key decisions are needed to achieve this.

YES. NILGA is supportive of ongoing work to develop supply-side and demand-side flexibility, and councils are well-placed to liaise with local communities, if pilot schemes are to go forward in relation to demand-side flexibility. NILGA would highlight the need for better storage capability (e.g. battery storage) and the associated need for clear planning policy in relation to processes involving hazardous chemicals.

Q70: Do you believe that the SEM and DS3 offer sufficient market routes to support the deployment of flexible technologies for generators of all sizes? If not, please provide evidence to demonstrate what additional market routes may be needed.

NILGA has no established view on this issue at the present time.

Q71: Do you agree that a policy framework should be put in place to enhance access to and use of consumer data? If so, please outline key considerations that need to be factored into this framework.

YES, provided the necessary data protections and cybersecurity measures are considered and established within the framework

Q72: Do you believe that we should take forward the Energy Data Taskforce recommendations in Northern Ireland? If so, please advise on key differences with Great Britain that need to be factored in.

YES. Issues in relation to data protection and cybersecurity will need to be fully considered. NILGA welcomes the presumption towards open data and is of the view that use of open data will add value to some of the innovation work that will be necessary, particularly as we move towards a 'smart' digitised system. The initial cost of designing and implementing data collection systems will need to be taken into account.

Q73: Do you agree that a Cost Benefit Analysis of smart meters should take into account the broader benefits they can bring to consumers as an enabler of energy data and a smart system? If the CBA for smart meters is not positive, what alternative approaches can be taken to deliver these benefits for consumers?

YES. NILGA has no particular view on alternative approaches, although we are aware that use of a phone app may be one option available to consumers to monitor energy use and switch tariffs if applicable.

Q74: Do you believe that financial support should be provided for micro-generation to increase the number of active consumers in Northern Ireland? If so, what should this support look like? If not, what are the alternatives?

The disbenefits of increased levels of micro-generation are noted. A robust cost-benefit analysis will be necessary to ensure that consumers who are reliant on the grid for energy are not met with socialisation of higher system costs due to the economies of scale associated with large scale generation. Micro-generation may be preferable in some areas of NI (e.g. rural areas) over others, so a targeted approach to support may be an option.

Q75: Do you agree that network charging in a decentralised energy system will need to change? If so, what are the principles that should be adopted in distributing future network costs across consumers?

NILGA strongly welcomes the proposal to review network charging should the electricity system begin to become more decentralised. We believe that it is essential to protect on-grid customers, to ensure they are not paying disproportionately for consumers who are less reliant on the grid but still require access to the network for resilience and to sell energy they generate.

Q76: Do you believe that a new regulatory framework is needed to protect consumers who engage in decentralised arrangements? If so, what consumer protection measures should be part of this?

This should certainly be explored, to ensure that all participants in the system was above board, and that consumers contributing energy to the system do not e.g. fall victim to sharp practice from third party intermediaries.

Q77: Do you believe that energy communities have a role to play as part of the energy transition? If so, what support is needed to progress these? If not, what are the alternatives?

NILGA supports the idea of community energy schemes and believes that they will have an important role to play going forward, particularly in more rural areas. If not already done, we recommend an early conversation with Northern Ireland Community Energy Ltd and with community energy schemes elsewhere, eg, on the Isle of Eigg in Scotland, to assess what support they would have found or did find helpful in establishing and what they believe would be helpful in future.

Smaller scale community schemes such as that in Cloughmills/Loughguile can benefit from local government support, and this is something that could also be explored.

NILGA agrees with the list of key requirements for energy communities outlined in the consultation document and welcomes the intent to develop a policy framework for community energy, bearing in mind the identified need for legal and regulatory reform to facilitate community involvement.

Q78: Do you agree that the potential of geothermal energy should be further explored, supported by a legislative and regulatory framework? If so, what applications do you believe there are for geothermal energy in Northern Ireland?

YES. Aside from the current GSNI work, NILGA is aware of early work carried out by Mid and East Antrim Borough Council (and previously Ballymena Borough Council) in their area. This work could be revisited, and progressed in MEABC and/or other relevant areas in the form of trials of local heat networks.

Q79: Do you agree that further trials of heat networks should be carried out? If so, what key issues do you think should be tested through these?

Since geothermal energy is a potential source of heat and power for e.g. a district heating scheme, or to power business/ industrial units, it seems a logical form of energy on which to base a trial for a heat network.

Other possible trial sites include a linkage to the proposed arc21 energy from waste plant, which could provide heat and power in the south Antrim area, allowing assessment of consumer impacts and consumer buy-in and also assisting Northern Ireland in meeting its circular economy responsibilities.

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