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11 November 2021

Peter Hall
Clerk to the Committee for the Economy
Northern Ireland Assembly
Room 347,
Parliament Buildings,
Ballymiscaw,
Stormont,
Belfast
BT4 3XX

Dear Peter,

SMALL-SCALE GREEN ENERGY BILL

Further to your letter to our Chief Executive Wesley Aston, dated 13 October, I am writing to voice our concerns and objections regarding the Small-scale green energy bill.

From the outset it should be noted that the Ulster Farmers Union (UFU) set out our concerns back in early 2021 via the stakeholder survey, but we wish to elaborate upon this as the Bill has reached the 2nd Stage in the Northern Ireland Assembly.

The land-based sector in Northern Ireland (from where we have 12,000 active members) has been actively involved in small-scale renewable energy generation for nearly two decades, installing wind turbines, solar PV, hydro units and AD plants. Yet during this time they encountered many barriers, specifically connecting to the electricity grid, with both grid access issues (mainly linked to lack of spare capacity) as well as astronomical grid connection and capital costs. It should be noted that grid capacity issue remains unresolved meaning that any future small scale energy projects will be inhibited.

The UFU believe that it is both premature and counterproductive to introduce this bill when the Northern Ireland Energy Strategy is due to be published by the Department for the Economy in a matter of weeks. Our objections have been reinforced by communication we have seen from Joe Reynolds, Director of Electricity and Energy Consumers Division in DfE, in which he sets out the Departments own reservations.

The Northern Ireland Energy Strategy has been many years in the making, with a call for evidence, a series of interactive seminars (pre-Covid 19) cumulating in a 3-month consultation which closed earlier this year. The UFU responded to the Consultation with an extensive submission setting out a proposed mechanism which could be established to support small scale renewables. This proposal is based upon first-hand experience of the Northern Ireland-specific issues which need to be considered when drawing up any future support mechanism. Such foresight and technical consideration is missing from this bill and hence it is counterproductive.

Take the proposal for an obligatory minimum tariff for renewable generated energy. This concept will increase domestic energy bills in Northern Ireland and is nonsensical when domestic electricity prices are rocketing and are likely to remain high.

The Bill is also duplicitous in terms of existing legislation, which is currently being reviewed by a Utility Regulators consultation; 'Micro-generation Settlement Consultation'. This consultation seeks to improve the existing process.

Finally, the Ulster Farmers Union wishing to raise our concerns about the Questionnaire compiled by the Economy Committee. These apprehensions relate to the tone and content of the proposal, specifically;

- **Question 9, "In making scheme regulations the Department must have regard to the objectives of reducing environmentally harmful emissions from farms and other businesses."**

The Ulster Farmers Union takes issue with the manner in which our sector being singled out this way. We do not need to remind you that local agriculture is under scrutiny in the eyes of the public with two Climate Change Bills progressing through the Northern Ireland Assembly and it is totally unhelpful to refer to 'harmful emission' without any corresponding context.

- **Question 18, under the heading 'Suspension and revocation' they ask the question, 'Do you agree that the Department for the Economy should be able to suspend or revoke the Scheme, or part there of?'**

It is beyond comprehension that this is being deliberated, considering what has happened with the Northern Ireland Renewable Heat Incentive (NIRHI) and the UFU would question whether legislators have learnt any from this damaging episode not just for Northern Ireland agriculture but also the small-scale renewable sector to which this unguided Bill is meant to be representing.

In conclusion, the UFU strongly believe that by legislating in advance of the Northern Ireland Energy Strategy (and prior to the outcome of the above Micro-generation settlement consultation) and without any consideration of renewable energy support in the round, this could result in a sub-optimal outcome.

If you have any queries regarding the content of this letter do not hesitate to get in touch.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C. Watt', written in a cursive style.

cc

John Watt
UFU Rural Enterprise Chairman