

Information to Suppliers and Agents on the Interim Microgeneration Solution for Electricity Suppliers in the wholesale market

– September 2015

Background

Small scale renewable technologies such as solar panels, hydro or wind turbines can be used to generate electricity and export some of that electricity to the grid. This is known as G83 microgeneration. As soon as a site is accredited by Ofgem, they are eligible for Renewable Obligation Certificate (ROC) payments. These ROCs can be sold to [electricity Suppliers](#). To be paid for ROCs and export electricity, a micro generator must enter into a contract with either a licensed electricity Supplier or another party who may offer to purchase either or both of the ROCs and export electricity. Further information on accrediting a generating station and getting paid for ROCs and Export Electricity is available from the [Utility Regulator website](#).

The electricity wholesale market does not facilitate electricity Suppliers being credited for purchasing units of electricity exported from microgeneration sites. Following a recent retail market design change within Northern Ireland, NIE has introduced an interim solution through which Suppliers will have their export units taken into account in their wholesale settlement values. This becomes effective from 28 August 2015 and is designed to facilitate those electricity Suppliers who provide this microgeneration facility, to pay customers for any units exported from microgeneration sites.

Agreed Process

It has been agreed with the Utility Regulator and market participants that:-

- Electricity Suppliers will provide NIE with their total installed capacity of photovoltaic (PV) and wind microgeneration based on details registered and accredited with Ofgem.
- NIE will calculate half hourly export values based on a deemed value of 45%* of the total installed capacity. These values will be processed through to wholesale settlement for each electricity Supplier. This process will take place on an annual basis.
- Electricity Suppliers must have had contracts for purchasing export from customers in excess of 13 months before this process can be applied.

*This is a deemed value and may be subject to revision based on further actual data analysis in the future.

Further Information

All microgeneration sites must have an import/export meter installed to facilitate the export of units generated. This is a requirement of the current microgeneration G83 connection process. Please see nie.co.uk for full details of the G83 connection application process.

It should be noted that NIE has no involvement in the Purchase Contract Agreement between customers with microgeneration and their chosen electricity Supplier – where applicable, the chosen electricity Supplier should be able to provide this information and should be contacted directly. It is the responsibility of the customer to provide export meter readings to their export Supplier.