

Roger Henderson  
Director of Network Assets  
NIE Networks

23<sup>rd</sup> July 2020

**Re: Providing Distribution Generation Offers with Non Firm Market Access**

Dear Roger,

In NIRIG's response to the NIE Networks/SONI consultation on providing distribution generation offers with non firm market access we indicated our support for option 2A, a limited opening up of new non firm offers, and suggested a 400MW cap.

From both NIRIG's meeting with NIE Networks and the meeting of the Connections Innovations Working Group (CIWG) it seems that option 2A has been 'taken off the table' for one, or possibly all, of the following reasons:

**1. There was no industry consensus.**

Five out of the six respondents supported option 2A, including the NIRIG response which was submitted on behalf of 21 members. NIRIG finds it unfathomable that one confidential response could frustrate the progression of a whole industry.

**2. 2A is unworkable because a capacity cap would lead to discrimination of technologies.**

The legal challenges of 2A were outlined at the consultation event where it was made clear that it would not be possible to discriminate based on technology type or location. However, there was a strong indication that a capacity cap would be permissible. NIRIG would like to know what changed in this regard.

**3. 2A is unworkable because the proposed 400MW cap would quickly be exhausted, possibly with no benefit to new renewables.**

NIRIG accepts that this may be the case and in our response we accepted that a 400MW cap would only be an interim position but also suggested that a meeting of the cap should trigger a review. NIRIG's suggestion of a 400MW cap was based on our assessment of imminent projects, and at a time when an Energy Strategy was expected late 2020 / early 2021. We are open to a discussion of a possible different cap.

**Way Forward**

If our understanding is correct that Option 2A has been removed as a way forward, NIRIG would be supportive of Option 2, the opening of non firm offers without a capacity cap. We support this on the basis that it is an interim measure to allow new connections in the absence of a published Energy Strategy.

From the CIWG meeting it is our understanding that NIE Networks is considering developing a new enduring connections policy (ECP) as an alternative to new non firm offers. NIRIG is **not** supportive of this approach as an interim measure, as we would expect a new ECP approach will take years to develop and require legislative change to be implemented. While we support the development of enduring policy in the medium term, the need for new connection offers is an immediate priority given the extent of system change required to maintain progress towards net zero. The issuance of new generator connection offers cannot be delayed any further.

Furthermore, we would welcome further discussion and consultation on the ECP approach, due to industry concerns from experience of the operation of this approach in other jurisdictions.

## Conclusion

The opening of new connection offers is an urgent priority for NIRIG as it is necessary to ensure some progress in the development of renewables in the absence of an NI Energy Strategy which is not now due until November 2021.

Therefore, we would support NIE Networks providing distribution generation offers with non firm market access immediately, as an interim measure, to allow new renewable connections.


As always, NIRIG is happy to meet with you to discuss.

Yours Sincerely,



Steven Agnew

Head of the [Northern Ireland Renewables Industry Group](#)

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## NIRIG

The Northern Ireland Renewables Industry Group (NIRIG) represents the views of the renewable electricity industry, providing a conduit for knowledge exchange, policy development, support and consensus on best practice between all stakeholders. A joint initiative between RenewableUK and the Irish Wind Energy Association (IWEA) we promote responsible development, support good community engagement and deliver low-cost electricity generation from sources such as onshore wind, tidal, solar and storage.