



Response to consultation on Draft Northern Ireland Strategic Energy Framework

Our reference: Cons - 1062

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Response to Draft Strategic Energy Framework

1.0 Background to NICVA

- 1.1 NICVA (the Northern Ireland Council for Voluntary Action) is the umbrella body for the voluntary and community sector in Northern Ireland. It provides over 1,000 members with information, advice, training and support services on a wide range of issues, together with representation for the sector as a whole.
- 1.2 NICVA works to achieve progressive social change, based on equality and equity, working through a community development approach, to empower local communities to pursue their own needs and agendas.

2.0 Comments

- 2.1 NICVA welcomes the opportunity to respond to this consultation. In the context of the current recession and of climate change, NICVA has recently been working in partnership with a number of other organisations in Northern Ireland to put forward a Green New Deal proposal. We believe that energy has a key part to play, not only in securing our economy and in contributing to the reduction of our climate-damaging carbon, but in creating and securing jobs and investment in Northern Ireland and increasing our competitiveness. We feel this approach is particularly important since, while macro-economic policy is reserved to Westminster, the key policy levers—industrial and energy policy, education and training, the environment and social policy—are in devolved hands.
- 2.2 NICVA welcomes the strategic approach being taken by DETI in the draft energy framework, but we recognise that, while the department has strategic responsibility for energy policy, it does not carry full responsibility for all the levers which pertain to energy. These stretch across departments such as OFMDFM (sustainable development, poverty), DOE (climate change, planning), DSD (housing energy efficiency, fuel poverty), DFP (building regulations, budgets), DARD (agriculture) and DRD (transport), to provide just a few examples in a complex picture. Thus we recognise at the outset that the actual departmental structures in Northern Ireland do not lend themselves to the kind of joined approach that is possible in Scotland or in England, where responsibilities have been brought together in the Department for Energy and Climate Change to acknowledge the vital role that energy policy will play in our future. If departmental responsibilities cannot be reconfigured to prioritise energy, then perhaps a strategic energy authority should be considered.

- 2.3 Energy security is a key consideration in the very near future. As our Green New Deal proposal highlights, 99% of Northern Ireland's energy comes from imported fossil fuels, leaving us highly vulnerable to the price and politics of oil with serious implications for security of supply. Last year the price of oil rose to nearly \$150 a barrel. It has fluctuated since, but the consensus in the energy industry is that the future is one of volatile and inexorably rising prices as we emerge from recession and global oil production reaches its historical peak. This means that renewable generation is not just an environmental necessity, it is critical for our own economic security. The risks of not taking action to secure our supply must be fully costed alongside the expenditure required to upgrade our grid infrastructure and shift to new technologies.
- 2.4 The target of 40% renewable energy by 2020 which the draft framework proposes is a challenging one. NICVA would urge the NI Executive to adopt this ambitious target and begin action immediately. Ireland has already adopted a 40% target and we understand that the Minister responsible for energy is currently considering extending it to 50%. Since 2020 may seem like a far off target in political terms, and since action needs to begin immediately, we would also argue for stretching interim targets to ensure that progress towards 40% is kept on track.
- 2.5 The NI Executive needs to send out a clear and coherent message on energy – including energy saving, necessity of renewables and that the era of cheap energy is over. In the past we have had mixed messages from different ministers and little leadership has come from the public sector on this issue – going forward, a clear united message on energy is needed. The public are struggling with increasing energy prices and suspicious of profits made by energy companies. More transparency on the composition of energy costs would help to inform the public and more honest and realistic political messages about the future of energy prices will create realistic expectations for the future. Future energy price increases should not fall disproportionately on the poorest and measures should be put in place to mitigate impacts upon them.
- 2.6 Poverty is a serious problem in Northern Ireland and fuel poverty is disproportionately high, partly due to inefficient energy use. The Green New Deal proposals highlight the fact that, despite improvements over the past decade, over 90% of houses still fall some way short of the best energy performance standards. Domestic space and water heating is responsible for over 40% of energy consumed in Northern Ireland along with associated emissions. The Green New Deal proposes a systematic programme to retrofit the entire housing stock to the best energy performance standards over as quick a period as is feasible and ultimately reducing energy use in homes by 80%. This has the potential to create substantial local employment and alleviate poverty.

- 2.7 More coherent action on energy efficiency should be the first step in any energy framework. This is something we can act upon now. Despite all the good work already ongoing, this message needs to be massively scaled up and the impact increased, since demand for energy in Northern Ireland is still rising by over 1% per annum. It is pointless to install expensive solutions to facilitate unnecessary and wasteful demand.
- 2.8 NICVA has a concern about the overlap between the Draft Strategic Energy Framework and the ongoing reform of the planning system. There is currently little clarity on whether planning applications which are of strategic interest, such as windfarms, would be defined as regional and decided upon centrally or would be dealt with by local councils. The latter situation would obviously be problematic for siting of windfarms which are deemed necessary to meet strategic regional energy needs, but might not be politically popular locally. This issue requires clarity at an early stage.
- 2.9 On the issue of wind, if the 40% renewable energy target were to be reached using mostly wind energy, which Northern Ireland has the capacity to do, we will need many more turbines and this will inevitably meet some resistance in rural areas. NICVA would advocate consideration of the ways in which wind energy could carry incentives and benefits for local communities, such as exploration of community ownership, which might include bonds in windfarms, co-operatives or other mutual structures and perhaps reduced tariffs in the immediate vicinity. This would recognise that local communities are hosting something which is for the wider common good. In addition to this we would suggest considering the viability of taking a strategic approach across Northern Ireland and, in the interests of our energy needs, designating certain areas 'energy zones' as has been done in Scotland. This would then greatly reduce individual planning disputes at a later stage.
- 2.10 NICVA would also advocate wider consideration of different ownership models for energy infrastructure in general. Since the public are generally suspicious of private profits made by energy suppliers, as mentioned above, mutual or non-profit distributing models should be properly explored as part of the energy framework.
- 2.11 NICVA welcomes the intention to develop smart metering as this will help energy users to manage consumption better and potentially reduce bills.
- 2.12 On the issue of renewable heat, the document points out that DETI has no current powers to enable it to work in this area. This could be a key future issue for renewables in Northern Ireland and NICVA supports

the department's intention of asking the Executive for the statutory powers to take this work forward.

- 2.13 The draft framework document mentions the role of the voluntary and community sector. DETI rightly notes that its role in promoting energy efficiency to the sector is limited. This should fall to DSD, as department with lead responsibility for the sector. Some voluntary and community organisations have already begun to address their energy consumption through successful programmes such as Community Eco-Challenge. There is scope for a much wider roll out of programmes of this sort to inform and encourage voluntary and community organisations to save energy.