



475 Antrim Road
Belfast
BT153DA

T: 02890370222
F: 02890371231
E: info@ufuhq.com
W: www.ufuni.org

2 August 2024

Jody O'Boyle
Utility Regulator
Queens House
14 Queen Street
Belfast
BT1 6ED

Dear Jody,

UFU Response to the SONI's Draft Transmission Development Plan Northern Ireland 2023-2032

The UFU is the largest farmer/land-owner representative organisation in Northern Ireland with over 12,000 members and we welcome the opportunity to reply to this Consultation.

Small Scale Renewables and the Northern Ireland Land Based Sector

Over the last two decades, our members have committed to small-scale renewable energy generation; Wind Power (mostly single turbines up to 250kW), Anaerobic Digestion (along with biogas production), Solar Thermal/PV and biomass (both feedstock production and generation), complementing existing/conventional farming practices. The UFU focus is on the role of Distributed Generation in the drive to energy transition/decarbonisation.

Draft Transmission Development Plan Northern Ireland (DTDPNI) 2023-2032

In our response to the SONI consultation earlier this year we welcomed the Draft Transmission Development Plan Northern Ireland 2023-2032. We recognised that the projects outlined in this Plan aim to ensure that the transmission grid is fit for the future in meeting the legislated targets.

- **SONI's Engagement Model**

Before commenting further we want to focus on SONI's significant effort and work in their Engagement Model and specifically their commitment to work with those who may be affected by any future grid development plans, ensuring affected local communities, including land owners, are at the heart of the energy transition.

SONI have engaged with the UFU on their 3-Part Process for Grid Development process. What this means is a commitment to engage with local communities years before the submission of a planning application and thereby provide opportunities for their input.

Since submitting our response to the TDPNI, there has been significant movement on the issue of landowner compensation, and the UFU wish to see this progressed as quickly as possible.

In our response to the TDPNI we specifically recognised the SONI aim to make the UK and NI electricity markets more integrated. The integration of Renewable Energy Sources (RES) relies upon the need to reinforce the transmission networks between and within NI, GB and European countries to obtain these economic benefits and the draft TDPNI sets out the work that will enable this.

RES are integrated into many farm businesses and contribute to the decarbonisation of the energy supply leading to the reduction in greenhouse gas emissions.

UFU welcomed the SONI reference additional forms of renewable energy in Northern Ireland, namely on-shore wind, solar and biomass generation and its further developed in the coming years to reach 2030 targets.

Due to the remote location of the majority of our members, a considerable number of RES projects are located in rural areas where the transmission network is less developed, placing pressure on the electricity transmission network in these areas.

Significant challenges will arise in extending and reinforcing the network to connect new RES and the UFU are optimistic that TDPNI will go a long way to addressing this.

Landowners aspire to be involved in many RES-related projects in advance of 2030 and beyond and the TDPNI will enable this, however, there a number of barriers which need to be addressed and dealt with. In our response we highlighted a number of barriers.

Whilst the majority of these remain valid and we will repeat this below, there is one that we wish to remove; DfE 'Intransigence'. The UFU and DfE have expedited engagement to address our concerns and work together going forward in meeting the challenges posed by the energy transition process. However, we would wish to replace this barrier with the situation regarding grid capacity

The UFU flagged up that many barriers including grid and planning remain resolved and needed to be addressed if we are to reach 80% of renewables by 2030.

Barrier 1 - Grid Connection

On the 7 November 2023, for one day only, NIE Networks opened G99 NI generation grid applications, with very limited capacity available and applicants were directed to submit their applications in person at the Crowne Plaza Hotel in Belfast.

9 months later, many applicants are being informed that that some locations, connection offers cannot be made until technical specifications have been agreed and signed off by NIE Networks/SONI. Some applicants are subsequently being informed that they can have their applicant fee refunded or progressed as a zero export application.

The UFU do not believe that is method of grid connection management is either appropriate or sustainable.

This approach to grid connection will not bring about the additional 2-2.5GW of new renewable energy to meet the 80% renewable electricity target. If prompt action is not taken on the challenges mentioned above, this will not be accomplished.

To meet our 2030 goals, the facilitation of <5MW connections is crucial, in addition to the non-firm offers for larger projects.

In terms of how we can proceed, if we understand the situation currently, in reference to the regulatory process, ‘anticipatory investment’ is not permitted in terms of making grid capacity available. This could be considered in the context of Barrier 3 below.

Barrier 2 – Northern Ireland Planning Process

The Planning process (application process and the subsequent decision) are much commented on as key aspects of small scale renewables, something shared with the transmission infrastructure delivery process. There is a tension between the need for infrastructure to support social and economic well-being and the impact that this infrastructure has on the environment, people and communities. Failure to address and resolve this tension will jeopardise our ability to meet by delaying electrification and the uptake of low carbon technologies.

The UFU want to see a revised planning policy which provides greater certainty to facilitate the delivery of the 80% by 2030 renewable energy target. We have concerns that the current (and proposed revised) policy will not facilitate this overarching objective.

Timescale for planning decisions (including repowering) needs to be addressed as the time taken to obtain planning approval for an identified project has been increasing.

With time running out to meet 2030 targets, we are concerned that planning policy could restrict both current and future development of small scale renewables development across Northern Ireland.

A common complaint we hear concerns lengthening timescales for planning approval, and improvements should be made to the planning process to reduce the time taken to obtain planning consent.

In February 2022, in response to an issues paper ‘Review of Strategic Planning Policy on Renewable and Low Carbon Energy’ the UFU set out our concerns regarding issues faced by our members and what we set out what we would like to see in a revised planning policy;

- Streamlining of planning consent
- Strict time limits should be introduced on the timeframe when a third party objects (consideration of planning policy in the Republic of Ireland where the time scale is 5 weeks).
- Such planning objections must be evidence-based and not reliant on anecdotes.
- Strict time limits should be introduced for statutory bodies to respond to the planning application.
- Where planning permission is already in place for a generating unit and there are any subsequent revisions on the existing planning conditions should be fast tracked, especially where there is a history of compliance, i.e. repowering, blade changes for a wind turbine, doubling the size of a CHP unit or adding a biomethane facility in an AD plant.
- Introduction of pre-application requirements to reduce the need for additional information requests. Pre-application requirements could include environmental surveys and community engagement.
- New application form stating what information is required for an application to be accepted.
- Clear roles, responsibilities and mandatory timeframes introduced for all parties

involved including statutory consultees. This includes funding statutory consultees through the planning application fee to ensure responses are delivered within the consultation timeframe.

Barrier 3 - Regulatory Process/Approval

Acceleration of the legislative/regulatory process will be required to make the necessary changes in time to support projects looking to deliver for 2030 and beyond.

In our contribution to the NIE Networks consultation on RP7, as well as in our response to the DfE Energy Strategy Consultation response in June 2021, we stated that the mandate of the Northern Ireland Utility Regulator needs to evolve if Northern Ireland is to have any chance of meeting 2030 targets and beyond.

The Energy Network Association in a FT article on 8 May 2022 made it clear that in GB, Ofgem needs to move from a reactionary process to mandating “anticipatory, strategic investment”. Similar considerations are needed on the Northern Ireland regulatory framework and hence we are asking for parallel discussions.

The regulatory approval process is crucial to SONI, small scale generators and consumers alike. In the context of the TDPNI, it protects consumers from excessive costs and provides the TO with clarity on the certainty of their returns.

The regulatory approval process must be aligned with the nature of the development of the energy system. Currently it is focussed on achieving the best possible outcomes by ensuring that assets are used effectively and efficiently and outcomes are measured in terms of delivering services at lowest cost.

As the energy system, including the transmission grid, whilst it is transformed in support of decarbonisation objectives as set out in the TDPNI, a new perspective is required. This new perspective will look more to system optimisation rather than asset utilisation and account for the more decentralised and distributed architecture of the system.

This will be supportive of the need to build infrastructure, a need that is being strongly signalled by issues such as the connections queue and escalating constraint costs. Outcomes will still be centred on consumers and lowest cost, but these may also address the targets we are asked to meet.

UFU Recommendations

1. Verify that the UR can allow anticipatory investment (see Barrier 1. Grid Connection)
2. Look at way to which regulatory approval could be expedited.
3. A community benefits payment system could be endorsed by the Utility Regulator. We will elaborate upon this point below.
4. Utility Regulator should be given Net Zero objectives to support the delivery of electricity networks to meet Government targets as provided within the overriding legislation
5. Objective of being an economic regulator is retained and expanded to include wider societal benefits (e.g. access to cheaper renewable generation)

These recommendations are intended to create a trusting and transparent relationship between the Utility Regulator and all stakeholders.

The UFU believe that such changes would support SONI by engaging with the supply chain early, making complex decisions at pace and accelerating the delivery of new infrastructure required.

Rural Community Benefits

Rural Community projects which host infrastructure do not always see a direct benefit for doing so. Communities may not see a direct link between connecting low carbon generation and local decarbonisation outcomes and local residents may respond by strongly opposing renewable projects.

Guidance on community benefits should be delivered and adopted quickly by the Transmission Operator setting out what they are able to offer.

Residents of properties close to new overhead lines could receive a defined direct payment. Communities could receive a set amount of money for new visible infrastructure they host. The benefit could be a defined value per kilometre of overhead line (OHL) or an appropriate amount for other visible infrastructure. This benefit would only be available for hosting OHL or other visible infrastructure (e.g. substations).

Providing a community benefit (set per kilometre of OHL) could be less costly than using an underground cable and will have a lower environmental impact.

To provide this benefit, a further consultation may be required to update the guidance on community benefits. Any value that is agreed will need to be reflected in the regulatory approval process and endorsed by Regulator.

There will likely be other indirect benefits from these payments for the host community. Such benefit will support local communities economically, depending how it is deployed. For example, if it was used for the installation of low carbon community owned generation, or local heat networks, this could translate into lower energy bills.

UFU would like to add a further consideration in relation to community solutions; microgrids.

For the last decade the UFU have advocated the merits of the microgrid model.

This policy is in the context of our position that there needs to be a change thinking, whereby the planning, design and construction of local power systems is permitted which meet exact needs of rural consumers. There needs to be a move from a supply-side infrastructure to “the other side of the metre”, in other words, a bottom-up approach and smart metering would support this. Distributed Generation will bring about the integration of alternative renewable generations sources, allowing the ability to “switch-on” controllable site-loads.

A microgrid is a self-sufficient energy system that serves a discrete geographic footprint, such as a Business Park or a residential neighbourhood, utilising a variety of distributed energy generation, i.e. solar panels, wind turbines and of specific interest to this call for evidence, AD. With energy storage being an integral part of the solution. While solar and wind turbine generation are more common microgrid generation options, bioenergy microgrids are gaining traction in many areas.

When deployed in microgrid projects, bioenergy usually consists of biogas generated from farm wastes that are fed into a hub of small-scale plants or larger anaerobic digester. The resulting biogas is usually deployed in support of other renewable technologies, particularly solar power, as a means of compensating for the intermittency of those technologies (solar and wind) and is also combined with energy storage and a microgrid controller.

Small scale biomass is more likely to be measurably more sustainable, especially when deployed in bioenergy microgrids, or at farm scale or at water treatment plants. This is particularly true when combined with or in support of other renewable energy technologies, such as solar PV, when deployed in a microgrid project.

In 2014, the concept of a Microgrid was first mooted in the SW Down area, with an initiative called 'Lecale DSU'. This was a collaboration between a cooperative of Down District Farmers for Renewable Energy (DDFFREE), South West College, East Down Rural Community Network, Invest NI, residents groups and the UFU. The former airfield at Bishopscourt airfield was identified as the preferred location for a 'centre of excellence' base for the micro-grid serving the energy and heat requirements of 300 homes in nearby Ballyhoran. The project looked to incorporate small scale wind, Solar PV and on-farm Anaerobic Digestion.

The storage solution was ICAES (Isothermal Compressed Air Energy Storage) and would have been central to a Northern Ireland Energy Storage Demonstration Park which was to be located in the local area. Excess wind would have been utilised and converted into hydrogen, via electrolysis.

Since then, the policy environment has changed and consideration could be given to incorporating water treatment into the equation. It has been shown that biomethane can be produced from waste water through the AD process and a microgrid development on the shore of Lough Neagh is not beyond the realms of possibility.

Additional UFU suggestions on the Draft Transmission Development Plan Northern Ireland 2023-2032

- The relationship with distribution networks is a critical consideration; if transmission and distribution networks do not keep pace with each other, the value of transmission development will be diminished. Whilst an enhanced transmission infrastructure is necessary to deliver this electricity to the distribution networks, without the distribution networks being ready, it will not be possible to achieve the degree of decarbonised electrification that is required.
- The scale and pace of small scale renewables, including local energy initiatives need to be understood so their materiality in the context of transmission (and distribution) networks can be considered.
- The uncertainties of demand and the potential impact of demand reduction could be material to future developments and should be addressed.
- Impact of both supply and demand flexibility (including discussions on flexible connection policy work to which the UFU have been involved) should be better understood. This includes progressing the creation and establishment of well-functioning flexibility markets,

ensuring that interactions between NI, RoI and GB operations are clearly understood and implemented and that integration of enabling technologies such as storage is aligned.

- TDPNI should not ignore adaptation and the need to address impacts of increasingly severe and frequent extreme weather events. UFU raised this in relation to the LV lines over the last 15 years directly with NIE Networks.
- Consideration of experience from other sectors could provide external insight. Transport, telecommunications and other utilities such as water.
- Further exploration of international experience, particularly in countries such as the Netherlands and Denmark could valuable insight.

If you have any queries do not hesitate to get in touch.

Yours sincerely,

Chris Osborne
UFU Senior Policy Officer