

**31<sup>st</sup> March 2015**

**Renewables Grid Liaison Group**

**Minutes of Meeting**

<b>Attendees</b>	
<b>Utility Regulator</b>	Tanya Hedley (TH), Ronan McKeown (RMck) Jody O'Boyle (JOB),
<b>NIRIG</b>	Meabh Cormacain (MC), Billy Graham (BG)
<b>NIE</b>	Michael Atkinson (MA), Aidan Bradley (AB), Caron Malone (CM) Adrian Macauley (AM) Robert Wasson (RW)
<b>SONI</b>	Eimear Watson (EW)
<b>DETI</b>	Michael Harris (MH(arr)) Alison Clydesdale (AC)
<b>Solar Power Representative</b>	Neil O'Brien (NOB)
<b>Offshore Representative</b>	Damian Bettles (DB)
<b>Ulster Farmers Union</b>	
<b>Apologies</b>	Dick Lewis (DL) Gerry Hodgkinson (GH) Chris Osborne (CO) Gary Hawkes (GH) Stephen Thompson (ST) Mervyn Adams (MA(d))

<b>No</b>	<b>Item</b>	<b>Action</b>
<b>1</b>	<b>Apologies</b> Dick Lewis (DL) Gerry Hodgkinson (GH) Chris Osborne (CO) Gary Hawkes (GH) Stephen Thompson (ST) Mervyn Adams (MA(d))	
<b>2</b>	<b>Minutes and actions from previous meeting</b> Minutes agreed for publication	
	<p><b>Actions from previous meeting</b></p> <p><u>Action 1</u> SONI to provide another update on Network 25 at next meeting-</p> <p>SONI now considering how they should present Network 25 publicly. This will be done in 2015. EirGrid published their new Grid 25 strategy which has details of NSI in it. One of the main things is that the NSI is to be OHL. EirGrid have also submitted a further draft application file to An Bord Pleanala. Hopefully in 6-8 weeks EirGrid will be able to submit the final application file and SONI will be able to add an addendum to their application and recommence the public inquiry later this year or early next year.</p> <p><b>ACTION-</b> SONI to look for a timetable for NSI</p> <p><u>Action 2</u> DETI to provide update at next meeting on consultation regarding grace periods- <b>to be covered under agenda item 5</b></p> <p><u>Action 3</u> SONI to circulate a copy of presentation slides- <b>complete</b></p> <p><u>Action 4</u> NIE to consider whether NISTA should be represented on managed connection subgroup- <b>NISTA will be invited to next subgroup in late April</b></p> <p><u>Action 5</u> NIE to consider if there is a possibility for a different certification for G83/1- <b>ongoing- to be carried forward</b></p> <p><u>Action 6</u> NIRIG to get new off-shore representative for RGLG forum- <b>to be covered under agenda item 11</b></p>	<p><b>SONI</b></p> <p><b>NIE</b></p>

No	Item	Action
3	<p><b>Renewables Integration Status report</b></p> <p><u>SONI Update</u></p> <ul style="list-style-type: none"> <li>• Drumquin cluster- 2 public consultation days went well. Pre-construction work on schedule</li> <li>• Garvagh still at offer stage and costing of connection to 110kV network</li> </ul> <p><u>NIE update</u></p> <ul style="list-style-type: none"> <li>• Kells to Coleraine 110kV phase 3 is 80% complete- waiting on final outages to finish.</li> <li>• Tamnamore Phase 2 well underway - 7 underground circuits at 110kV - 3 have been energised. Phased approach to complete remainder. At far end of circuits some protection modification required. Also major outage to turn in the double circuit 275kV.</li> <li>• 3 cluster at construction - Gort, Tremoge and Mid-Antrim. Planned energisation date for end 2016. Construction works started at all sites. NIE in touch with developers on regular basis.</li> </ul> <p><b>ACTION-</b> Next update of Renewables integration Status report due in May</p> <p><u>JOINT SONI &amp; NIE PROJECT</u></p> <p>SONI and NIE are working with QUB to get 2 students (PhD and post doc) from to look at how to improve demand forecasting to account for SSG. Project is at the stage of trying to define scope and can be extended to look at the level of SSG that can be accommodated safely on network without any control.</p> <p>PHD wouldn't be able to start to October - post doc might be able to start sooner but funding would impact this. Hard to define timetable at this stage.</p> <p>NIE working with SONI on this providing breakdown of connected, committed, technologies etc.</p> <p>UR will want to discuss how this will impact on work in tariff submissions.</p> <p><b>ACTION</b> - SONI and NIE to provide update at next meeting on project. Add to renewables integration status report</p>	<p><b>NIE/SONI</b></p> <p><b>NIE/SONI</b></p>
4	<p><b>Contestability in Connections</b></p> <p>The Contestability consultation – responses back in Feb.</p> <p>Working on next steps paper. Expect this out in mid May.</p> <p>This will be published and final next steps will be published soon after.</p> <p>Number of work streams in contestability group; looking at models in ROI and GB; scope for contestability and decide appropriate split; technical compliance and standards; and environmental impact.</p>	

No	Item	Action
	<p>UR will take on board any feedback for final next steps paper in June.</p> <p>NIRIG suggested that there was a case for separate work stream for SSG as the issues are not as complicated as LSG and this could be delivered sooner than LSG work.</p>	
5	<p><b>DETI Update on consultations</b></p> <p>3 documents recently published relating to Electricity Market Reform (EMR) and the Northern Ireland Renewables Obligation (NIRO).</p> <p><u>EMR Consultations:</u></p> <ol style="list-style-type: none"> <li>1. DECC call for evidence sets out the 'minded to' position on how CFDs might be implemented in NI - DETI encouraging people to respond by 18<sup>th</sup> May.</li> <li>2. DETI Discussion Paper setting out the strategic issues relating to the implementation of the Contract for Difference (CFD) scheme in Northern Ireland - closure date 8th May to consider responses before DECC responses.</li> </ol> <p>DECC call for evidence is stating a lot of facts rather than minded to position. Time is also pressing as the process to change legislation is long and would need to happen quickly.</p> <p>The DETI strategic issues paper includes an annex with information on the emerging findings on the cost and benefit analysis of the 40% target however this is not yet finalised. It is hoped to publish the full report on this in June but it is not anticipated that the finding will change.</p> <p>Both documents have been issued ahead of pre-election period. Cannot do any public consultation events prior to election but may hold event after responses come in to review and discuss proposals.</p> <p><u>NIRO Consultation:</u></p> <p>Renewables Obligation Transition and Grace Period Consultation - closing date is 15<sup>th</sup> April. The expected timeframe for grace periods has been squeezed by negotiations with DECC - currently 12 months max grace period even though DETI had pushed for longer.</p> <ul style="list-style-type: none"> <li>• DETI indicated they had already received calls from customers that have issues with this as they do not have energisation dates from NIE.</li> <li>• First part of consultation is around transition to CFDs - there will be a period when developers can choose either ROCs or CFDs and how this can be done.</li> <li>• There will be a closure order and DETI needs to initially amend the Energy Order (NI) 2003 to allow for this. DETI will also be amending the renewables obligation legislation. The timescales to do this are quite tight which is why the deadline is shorter than preferred for consultations.</li> <li>• At the minute there is no confirmed replacement for SSG. NI will be included in DECC's review of its small scale Feed-</li> </ul>	

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	<p>In Tariff, the outcome of which won't be known before the end of 2015.</p> <p><b>ACTION-</b> DETI to check if DECC have consulted with SSG in Northern Ireland and pass on details.</p> <p>DETI also confirmed that the biomass sustainability consultation response concerning how generators report on the fuel they use issued on 30<sup>th</sup> March.</p> <p>NIRIG indicated the industry is particularly concerned about what has come out of these papers and consultations. On the NIRO CFD consultation - despite the evidence provided - they appear to be quite willing to ignore NI context. NIRIG indicated that GB generators had a 30 month transition and NI have only 6 months however DECC appear unwilling to listen to this</p> <p>What has been put out in the paper is very challenging to industry, particularly since there is now a question mark around 40% target. Industry has concerns.</p> <p>NIE commented that the indications from these papers are very significant. At present there is a sense of clarity that NIE have in respect of 3 of clusters that will connect before 2016, however there is not a lot of uncertainty about what happens beyond this date of 2017- how the remaining clusters will move forward and if they will go ahead. This needs to be addressed quite quickly.</p> <p>NIE attended a meeting on 30<sup>th</sup> March with Minister Foster, UR and SONI which was a good opportunity to talk about these issues.</p> <p>There was a lengthy discussion at this meeting with Minister trying to explain logistics of situation being faced by Small Scale Generators. NIE explained context of how this sits at a macro-level with SONI and the impacts. If there is no alternative to ROCS after March 2017, then there will be greater pressure to connect before then and it drives a position of where NIE need to be at end of year.</p> <p>Discussions on 2 lines of funding took place; more strategic funding at primary substations; managed connections and the further work required for pilot; a proposal was recently sent to the UR for consideration on both of these.</p> <p>Timelines mean that decisions need to be made quite quickly. NIE alluded to fact that for all the SSG applications in suspense because of capacity issues that it appears unlikely that all of this will connect - even with managed connections.</p> <p>This raises further question mark about things not yet applied or in planning. NIE laid out in a constructive way the discussion with SONI on 30<sup>th</sup> March meeting the Minister seemed keen to engage actively and see if funding can be resolved quickly.</p> <p>It was agreed that further sessions would be arranged at regular meetings (similar to 30<sup>th</sup> March).</p> <p>NIRIG asked if the Minister is going to meet SONI, NIE and UR at these meetings then what about SEIDWG.</p> <p>UR confirmed that this will happen in parallel to SEIDWG group.</p>	<p><b>DETI</b></p>

No	Item	Action
	<p>NISTA asked if there is anything the sector could be doing in discussion with the Minister to assist.</p> <p>NIE highlighted the challenges of a very rigid cut-off date in light of the difficulties in consenting and increasing resistance from landowners. This has changed significantly over last year and as lots of projects have extensive rebuild and new build works, if there is no flexibility around how the cut-off date is defined this it will cause a lot of challenges. NISTA could highlight some of the unique challenges around this.</p> <p>NIE commented that the wording in consultation is critical as some of the interpretation of this could be important. If this is adopted very rigidly it is hard to see how this would be of benefit.</p> <p>NISTA have had regular meetings with Minister. Price of finance has fallen and business plans can take more expensive grid connection offers. Given this as background - NISTA asked what sort of grace period would make a useful impact on discussions. NISTA would like feedback on this.</p> <p>DETI indicated that 12 months is not the position they started talking to DECC about. DETI have informed DECC they expect a lot of responses on the consultation around this - these will be fed back to DECC. The outcome will ultimately have to work for Ofgem.</p> <p>NIE will face a lot of pressure to give reasonable dates to developers and work within the rules of grace periods. Will place a focus on delivery timeframes.</p>	
6	<p><b>Rebating Policy</b></p> <p>NIRIG asked for discussion on this as it has been on the agenda for some time; however most of actions had been to get meetings between key stakeholders.</p> <p>NIRIG have been involved in some meetings but are aware of others that they have not been involved in</p> <p>It has been proposed that rebating cannot be applied unless it is across the board and therefore an impact analysis is required. This will be a huge piece of work. There are concerns around piecemeal implementation / discrimination. NIRIG don't think this is an issue.</p> <p>NIRIG indicated that they do not understand what the current position is in terms of what needs to be done, what can be done and what the timeframe is.</p> <p>NIE stated that this rebating discussion potentially links into work with clusters and understand that it may be frustrating from industry point of view that it appears there is no progress on this.</p> <p>Meeting took place before Christmas between NIE UR and DETI. Action to NIE to look at impact analysis – limited progress on this to date - represents significant work for NIE</p> <p>UR has Legitimate concerns about opening up one part of market and not dealing with load connections.</p> <p>DETI also have to look at legislative impacts at opening this up to one part or all of market.</p>	

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	<p>DETI said that without knowing the impact it is not possible to move forward. Minister will not want to progress something that is purely for generation without consideration for load i.e. large energy users. In addition - the timeframes to change legislation are very long - consultation required 3 months - 2 months to consider this - from start to finish around 10 months at best. Would be very challenging to get through in this current assembly session. Phased approach would be difficult considering these legislative changes required. A realistic timetable would be September 2017 for this.</p> <p>NIE to consider impact assessment.</p> <p>SONI stated that there is a rebating policy to transmission connections already in place and that any changes to rebate policy should respect this.</p> <p>NIRIG commented that reconciliation was discussed under Project 40 and this could be a twin track approach.</p> <p><b>ACTION-</b> NIE to engage with DETI to scope out what needs to be included in impact assessment. UR willing to attend.</p>	<b>NIE/DETI</b>
<b>7</b>	<p><b>SSG Update on Capacity/Safety constraints</b></p> <p>NIE have now had to withdraw/not make c390 offers due to capacity/safety concerns.</p> <p>This number sub divides as follows:</p> <ul style="list-style-type: none"> <li>• Number of Conditional Offers withdrawn: c80</li> <li>• Number of offers which could not be made: c310</li> </ul> <p>Drop off rate has increased slightly from 20% to 25%. This is particularly high with very new applications (Solar in particular). This means around 75% of applicants wish to remain within the queue.</p> <p>6 month extensions have been agreed with the Utility Regulator. First time extensions would have expired in March 2015 but the Utility Regulator has agreed to further 6 month extensions. Ongoing extension and further extension requests will continue to be submitted.</p> <p>NIE recently provided a Project 40 update report/timeline to UR.</p> <p>The heat map was updated at end February.</p> <p><u>Progress of £2.3m</u></p> <ul style="list-style-type: none"> <li>• All relay replacements completed</li> <li>• 13 substations with 24 tap changers in the programme. Tap changer works programmes with timelines for outages have been scheduled from May-September.</li> <li>• NIE have released all the projects that were on hold (c110) and are progressing these through pre-construction activities so they can be energised when the substation work is complete. Trying to align this as much as possible.</li> <li>• Not many DNOs have done this work before –the requirement of oil filtering has added to cost.</li> </ul>	

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	<ul style="list-style-type: none"> <li>NIE will continue to update at RGLG</li> </ul>	
8	<p><b>Small Scale Connections- developer issues</b></p> <p>NIRIG raised the issue of increasing timelines from when a job is accepted to when it is constructed. Reasonable timescale used to be 9-12 months for straightforward jobs and 12-15 for when planning permission required. Realistically NIRIG find this is more like 18-24 months which is not acceptable.</p> <p>NIE commented that the reason most timeframes are now longer is due to complexity to get wayleaves.</p> <p>NIRIG commented that they would like to see an overall standard for NIE to get jobs constructed.</p> <p>UR commented that NIE have a licence obligation to give timescales and that the UR is dispute body.</p> <p>NIRIG asked if there could there be an overall standard introduced for NIE for example, to connect 80% of jobs within 12-15 months. NIRIG thinks it would help NIE to highlight urgency on this.</p> <p>NIE is so dependent on third parties that they see no benefit in introducing a standard which NIE has no control over. NIE would prefer to have something which is within the company's control. NIE has made a commitment at organisational level to strengthen wayleaves capability and where NIE can improve, it will improve.</p> <p>There have been a number of jobs that are stuck in legalities or wayleave issues for around 9 months in some cases. Unfortunately there is not much NIE can do about this except get compulsory wayleaves through DETI which are a last resort. There has been an increasing difficulty with turnaround times for wayleaves- both for LSG and SSG.</p> <p>NIRIG asked what NIE would aspire to as this would be useful for industry to know.</p> <p>NIE conceded that after a job has been accepted these timelines do look disappointing - and that NIE are trying to find a way between injecting additional resources and creating a better link up with people on ground. NIE are happy to look into ways to bring more visibility as they are aware of harsh deadlines looming.</p> <p>NISTA commented that they continue to be both appreciative of work NIE do but are also questioning how NISTA can engage with bridging gaps. NISTA recognise what NIE do and would welcome the opportunity to get things moving and engage with NIE on this too.</p> <p>NIE commented that solar does not experience same delays as some others in the industry as there is a big difference between issues for 50kW and 5MW. NIE remarked that it is vital that the G83 process is followed and paperwork filled out as this reduces NIE resources spending time and effort trying to fix this.</p> <p>NISTA expect medium sized systems to emerge when ROCs change- these may be subject to more work than 50kW applications currently being received.</p>	



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	<p>NIE happy to engage with NISTA on this issue also.</p> <p>NIE highlighted that it is important for industry to realise that for any substantial connection there is realistically a timetable of 18+ months to get constructed. With the current proposed grace period any connection offers not out in 6 months won't fit in current scheme.</p> <p>NIRIG commented that 2017 is crucial and that support is required after this. There is the threat of an absolute cut off - the desire is there from NIRIG that CFD for LSG and small scale FIT for SSG is required.</p> <p>DETI reiterated that it is important to note the purpose of paper is to get debate going. Minister is adamant that costs are known and debated before a decision is taken. 40% is Executive target and will require Executive clearance.</p>	
9	<p><b>NIE Project 40</b></p> <p>At a high level - the amount of activity in the market in terms of connected quantities and the amount in the work pipe to be connected is very high across large and small scale generation.</p> <p><u>Large Scale Matters</u></p> <ul style="list-style-type: none"> <li>• Work on cluster subgroup is going very well</li> <li>• Focus of this subgroup has given clear position for the 3 clusters through construction and developed reporting mechanisms for this (regular meetings with developers)</li> <li>• NIE agreed a joined up approach with UR to accelerate timelines. In some cases NIE have pre-ordered equipment and will continue to consider this for future clusters and even for individual connections,</li> <li>• Work is ongoing on detailed connection design i.e. long cable design and reactive power. External engagement on these groups to date has been limited - this will increase going forward.</li> <li>• Security payments - most issues have been resolved</li> <li>• Work that has slowed up is around charging arrangements and charging for the second transformer as there is a dispute in progress. Need output from this to clarify how to take this forward.</li> </ul> <p><u>Small Scale Matters</u></p> <ul style="list-style-type: none"> <li>• Immediate focus is work with UR on funding</li> <li>• Hope to have next meeting before end of April with Project 40 group</li> <li>• NIRIG credited NIE for the work that has been done on this.</li> <li>• Statement of charges changes - would still not cure areas with expensive investment.</li> <li>• NIRIG will welcome more funding for lower level investments</li> </ul>	

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	<p><u>Microgeneration Matters</u></p> <ul style="list-style-type: none"> <li>• There has been engagement between NIE and UR around G83 Stage 2 definition and providing further clarity on this for developers. This has been updated in NIE application packs and website and is being communicated to developers.</li> <li>• NIE recently replied to a letter from NISTA around this issue which should provide more clarity also.</li> <li>• Next stage of Microgeneration subgroup is a workshop with NISTA and other interested parties- expect this to be late April.</li> </ul>	
10	<p><b>Move from G59/1 to G59/2</b></p> <p>Ongoing project as indicated last time. Report due from UK DNOs in April - still waiting on this which will feed in to timeframe and technical issues.</p> <p>Will give further update at next meeting on this.</p>	
11	<p><b>RGLG Membership</b></p> <p>Change to terms of reference proposed. UR had request from B9 energy to include member to represent 'storage' and feel this would be appropriate</p> <p>Group to consider other membership changes.</p> <p><b>ACTION-</b> UR to circulate tracked changes version of terms of reference changes.</p> <p><b>ACTION-</b> all - members to comment</p> <p>Once agreed, this will be published on website.</p> <p>NIRIG keen to include updates on ISEM and DS3 in group as and when needed as per terms of reference.</p>	<p><b>UR</b></p> <p><b>ALL</b></p>
12	<p><b>AOB</b></p> <p>ETI committee made a recommendation to look at current system for planning applications. Planning environment committee made a similar recommendation. NIRIG interested to know if anything has happened on this.</p> <p>SONI indicated they were not aware changes and nothing was raised when they recently published the proposals for offshore consultation.</p> <p>NIE understood that ETI committee actually questioned the process and if this could be accelerated.</p> <p>DETI and UR indicated they have sent responses back to ETI committee on this.</p> <p>NISTA indicated they were aware of three projects in non - heat sensitive parts of grid that have not progressed through planning. One project was approved by DOE in December however this will not make Armagh council list until this is restructured.</p> <p>NISTA asked if there was anything these projects can do in relation to G59 given the speed with which things are moving through</p>	

No	Item	Action
	<p>planning at present.</p> <p>NIE informed NISTA that they can't make a grid application until planning is approved, however that can get a feasibility study in the meantime.</p> <p>UR informed the group that NIE has submitted a request to approve new planning standard that came into effect in February. This will mean a move from P2/5 to P2/6 and from G5/3 to G5/4-1.</p>	
13	<p><b>Dates of Meetings for 2015</b></p> <p>Tuesday 9<sup>th</sup> June- UR offices</p>	

## Summary of Actions

Action No.	Action Description	To be Actioned by
<u>Actions carried forward</u>		
<b>1</b>	SONI to produce a timetable for NSI	<b>SONI</b>
<b>2</b>	NIE to consider if there is a possibility for a different certification for G83/1	<b>NIE</b>
<u>New Actions</u>		
<b>3</b>	Next update of Renewables integration Status report due in May	<b>NIE/SONI</b>
<b>4</b>	SONI and NIE to provide update at next meeting on project to look at SSG MW on network and add to renewables integration status report	<b>NIE/SONI</b>
<b>5</b>	DETI to check if DECC have consulted with SSG in Northern Ireland and pass on details.	<b>DETI</b>
<b>6</b>	NIE to engage with DETI to scope out what needs to be included in impact assessment. UR willing to attend.	<b>NIE/DETI</b>
<b>7</b>	UR to circulate tracked changes version of terms of reference changes.	<b>UR</b>
<b>8</b>	All current members to comment on proposed changes to ToR and return to UR.	<b>ALL</b>