Ciaran MacCann
Compliance and Network Operations
Tel: 02890316661
Utility Regulator
Queens House
14 Queens Street
Belfast BT1 6ED

11th January 2017

Dear Mr MacCann:

RE: Review of Electricity Distribution and Transmission Connections Policy

The Irish Solar Energy Association (ISEA) would like to thank you for the opportunity to respond to the Utility Regulator's Review of Electricity Distribution and Transmission Connections Policy. As the trade association representing over 80 businesses involved in the Solar PV industry, our responses presented below reflect the view of our membership.

The ambition of our members is to deliver investment which requires stable, long-term energy policy that will encourage market growth which will help meet national carbon reduction targets and lower electricity bills for consumers. ISEA therefore believes that there is an urgent requirement for a connections policy, linked to appropriate legislation that will encourage the deployment of renewable energy in Northern Ireland. As such,

Please do not hesitate to contact us if you require anything further.

Yours Sincerely,

Sabrina Dekker,
Policy Analyst on behalf of
David Maguire
Chairman, ISEA

Response to Consultation Questions

Q1. Do you agree with these strategic priorities?

I. Efficient and cost-effective connections: Connections should be delivered in a way which maximises efficient use of the electricity network and supports efficient network investment.

We agree that this is the way forward. However, we believe that regular interaction with developers and stakeholders would add value so that best practice of other jurisdictions can be shared and options can be discussed to drive down costs.

It has been our experience that interactions with the DNO in Northern Ireland to date has been slow and cumbersome. This has added unnecessary risk to projects, which can be mitigated by open communication and feedback regarding projects.

II. High levels of quality of service and transparency in the provision of connections: Connecting customers should receive a high quality of service which is clear and easy to understand, and which meets their unique requirements.

As per our comments above, our experience with previous grid applications is that the interaction with the DNO in Northern Ireland has been slow, with many applications delayed by over 12 months by NIE/SONI. This coupled with the impending closure of the Northern Ireland Renewable Obligation Scheme (NIRO) have adversely impacted future deployment of renewables and resulted in a number of stranded renewable energy developments.

III. Maintains or improves secure supply of electricity in Northern Ireland: The way connections are provided should not act as a barrier to the long-term interests of NI consumers. For example, they should not prevent the issuance of efficient connections which could support an appropriate level of security of supply.

Delayed timeline for processing and issuing viable grid offers have adversely impacted the amount of investment in renewable energy in Northern Ireland. Challenges relating to timescale, and costs of grid offers and connections present significant obstacles to deployment and pose a threat to the financial and commercial viability of renewable energy projects.

IV. Timely, robust and flexible connections process: Connections should be delivered in a timely and flexible way. The connections process should be robust and adaptable enough to cope with market and policy change. Put simply, the way connections are delivered should be future-proofed where possible.

We agree, however, it has been our experience that applications have been delayed unnecessarily following the lifting of the moratorium on connections in May 2016.

Q2. Do you agree that these are the main developments we should be mindful of? Are there any other developments which are important?

We believe that the connections should be contestable to reflect the UK mainland market which has a proven successful; options such as containerised substations presently accepted by DNOs in the UK mainland should be considered as this drives down the cost of connections considerably for developers and investors.

Q3. Is there a role for connections policy to promote effective network management? If so, what are the issues which need addressed and potential solutions as part of this review?

We believe that solar PV projects are easier to deploy closer to high demand centres and therefore require fewer grid upgrades. Consequently, solar PV can be more effective in the near to mid-term, until the grid is able to handle higher demand from areas further afield.

Q4. Should we review the distribution charging framework, with a view to making connection charges deeper? If so, how should this be designed? What are the benefits, costs and risks of doing so?

Through more regular interaction with developers and stakeholders, it could be an option for the DNO & TSO to share costs on larger infrastructure for creating capacity. The DNO could utilise the spare bays on these projects for the smaller connecting developers (SSG's) or DNO 33kv & 11kv Grid upgrades for customers to improve local supplies.

Q5. Should we review how the connections process and queue is managed? If so, what are the issues which need addressed and potential solutions?

We propose the introduction of the necessary legislative changes for the requirement for planning permission to be reintroduced at the application stage

Q6. Should we consider connections customer service, engagement and pricing transparency as part of this review? What are the issues which need addressed and potential solutions?

Yes, we feel these issued should be part of the review. We believe there should be a number of options provided. By allowing the customer to select what best fits, not just the least cost technical solution, consumers truly become prosumers.

Q7. Are there other issues we should review? Which issue(s) are in your view the most material and why?

While grid offers should theoretically be issued within 90 days of receipt of the application, we have found that most applications are processed at a timescale exceeding 12 months. This has a detrimental effect on significant inward investment into Northern Ireland. Means of reducing the waiting period between application and offer should be considered in light of their impact on investment.