Response to the Utility Regulator on the Draft Transmission Plan for NI 2019-2028

Thank you for the opportunity to comment on the Draft TDPNI. Sometimes it is of value to see how the Plan is being implemented at a local level in order to draw wider conclusions as to its effectiveness. We are particularly concerned regarding the Kells Substation and the planned associated developments around it.

Point 1:
We ask the UR to assess the delivery planning strategy adopted by the private entities NIEN and SONI.
We refer by example to the imminent planning application for the Kells Cluster Station. At present SONI / NIEN seek to separate the Cluster Station application from the Kells Substation site such that they can proceed with Cluster Station without having to take responsibility for the noise exceedance at the Kells Substation and bring the excessive noise levels of the substation back within legal limits.

In our view SONI are not following 'proper planning' as they state in *4.4.1 Introduction*

> *…Our grid developments occur within a planning and environmental context. In this context the focus is on matters of proper planning….*

And in 4.4.2 Policies and Objectives they state:

> *…It is the policy of SONI: PCP1: To have regard to relevant legislation and guidelines in respect of planning and consenting of transmission infrastructure development projects….*

We understand that the need for a cluster station in first instance comes from an assessment made by NIEN of their capacity at the substation to meet the needs of renewable applications several years ago– so it is a need driven application by NIEN to fulfil their licence obligations.

The application is on NIEN land and would be constructed by NIEN. However, the application is being made by SONI. This is acceptable under Planning – as anyone can apply for planning permission on anyone's land. However, we note that from NIEN's Statement of Charges for Connections (SOCC) that it was intended that NIEN would make the planning application for all cluster stations in NI:

> *6. CLUSTER APPROVAL AND PRE-CONSTRUCTION*
> *NIE Networks completes the pre-construction work and submits the proposal to the DfI Planning Service for their approval.*

However, for reasons not stated, it is SONI that is making the application for the Kells Cluster Station and it is SONI's stated intention to <u>limit the red line of their application to the site of the cluster station only. It will not include the site of the substation.</u>
If the application had been made by NIEN, the redline would have included the substation.

There is a benefit to NIEN in doing so which is that SONI will not have to consider the cumulative effect of the noise from the cluster station with the existing noise nuisance from the NIEN Kells Substation because in planning terms, they are deemed to be two separate private developers and the problems of one developer cannot be placed in the way of another private developer.

If the redline for a cluster station is required to be extended to include the substation that it is integral with, then the environmental impact of the whole site will be treated as one entity in planning and environmental terms.
We recently asked EH what would the scenario be if a factory owner sought planning permission to extend without firstly abating the noise nuisance that was arising from it. EH's response is below:

> *…When it comes to extensions to existing operations, it is normal for this impact assessment to look at not just the additional noise impact the extension will bring, but the total, cumulative noise impact of the business as a whole.*

> *..If a planning application for an extension to this factory was received in the interim, the noise impact assessment would have to demonstrate how the factory as a whole could not only operate without causing a statutory nuisance, but also operate without causing a significant loss of amenity to be suffered. Email EH ANBC 20-04-2020*

SONI are attempting to separate the various entities of what is essentially an enhanced NIEN substation: the need is established by NIEN, the site is owned by NIEN, it is built by NIEN and operated by NIEN.

SONI would like the cluster station to be seen as solely focused on delivering renewable generation. However, the interconnected nature of the existing and future cluster station is amplified by SONI's response to in their Report on consultation on *Draft TDPNI 2019-2028, Page18* which states:

> *With NIEN we are considering the connection of existing generation on the distribution system and whether these can be transferred to cluster sites.*

There is no redline boundary around the operation of the cluster station as a separate entity from the NIEN substation. SONI and NIEN foresee it as a fluid relationship.
In summary, it is not proper planning to seek to isolate an aspect of the substation development as an autonomous project with no consequential external outcomes when in fact it is seen as a fluid relationship.

The fact is SONI is acting on behalf of NIEN to make cluster planning applications. This should not however negate the fact that cluster stations are in reality NIEN projects, assessed as a requirement by NIEN to support their licence obligations, and constructed by NIEN on NIEN land and operated by NIEN.
In the Kells Substation situation, NIEN have a major problem with noise from the Substation which they must not be permitted to hive off as a separate issue from the cluster planning application. The

redline of all cluster station planning applications should therefore extend to include the whole of the inter-related substation site.

Point 2:

Issues with the processing of Cluster Stations through Planning.

We refer by example to SONI's imminent planning application for the Kells Cluster Station to highlight the concerns that we have.
SONI in their public consultation on the Kells Cluster Station have refused to accept that the cluster station is part of an integrated strategy that could deliver up to 180MW of renewable development in a radius of 10-12km of the cluster station.

They say that the boundary of the cluster station is the limit of the red line of the planning application and therefore the limit of any environmental impacts.

We believe this is 'project splitting'. The concept of project splitting is the failing to assess in cumulation with other associated projects the totality of what is proposed.

We believe that project splitting occurs in two ways with cluster station applications:

Firstly - the cluster station is the result of an NIEN need analysis taking into consideration the remaining capacity at their substation and the renewable projects already committed to connecting. Additionally it is foreseen by both SONI and NIEN as a vehicle to redistribute existing generation at the substation to the cluster station. The cluster station should therefore not be applied for as a separate project split from the substation with which it is integral to.

Secondly – the cluster station's whole aim is to provide capacity for new renewables, not just the ones that are awaiting connection and with offers, but also additional new renewables to take up the remainder of the capacity that the new cluster station will provide. i.e. it is designed to attract new renewables. It is project splitting when the environmental effects of these anticipated renewables are not considered to be part of the environmental impact of the cluster station.

With reference to the first point above we cite the following judgement in European Court case

C-2/07 in relation to Liege Airport which clarified:

- *36. It follows that all works relating to the buildings, installations or equipment of an airport must be considered to be works relating to the airport as such. For the application of point 12 of Annex II, read in conjunction with point 7 of Annex I, to Directive 85/337, that means that works to modify an airport with a runway length of 2,100 metres or more thus comprise not only works to extend the runway, but all works relating to the buildings, installations or equipment of that airport where they may be regarded, in particular because of their nature, extent and characteristics, as a modification of the airport itself. That is the*

case in particular for works aimed at significantly increasing the activity of the airport and air traffic

With reference to the second point above we cite the European Court in case C-404/09 which clarified:

> • *80. Therefore, that provision should be taken as meaning that, where the assessment of the environmental impacts must, in particular, identify, describe and assess in an appropriate manner the indirect effects of a project, that assessment must also include an analysis of the cumulative effects on the environment which that project may produce if considered jointly with other projects, in so far as such an analysis is necessary in order to ensure that the assessment covers examination of all the notable impacts on the environment of the project in question.*

In simple terms, a cluster station is a project directly interrelated with its existing substation, directly interrelated with at least 56MW of committed known renewables and, in the case of Kells Cluster Station, directly interrelated with the further 90MW of new renewables which it anticipates facilitating.

We note that 60% of the capacity of the 90MW cluster station is known at the time of Planning Application in order to secure the UR's permission to proceed to pre-construction stage. It is therefore not correct for SONI to state to the public, as they did in a meeting on 3-04-2020 with Paul Girvan MLA and KellsVOCAL, that they do not know who the renewable connectors will be and therefore limit their assessment of the cumulative impact of the Cluster station.

We need the UR to address this lack of transparency with the public and the avoidance of SONI to allow proper assessment by the Planning Office of the cumulative impact of Cluster stations and the renewable developments they will be attracting.

Point 3:

Public Planning Considerations: section 3.5.1 of the Draft TDPNI.

The demarcation of consultancy roles in the preparation and delivery of the Draft TDPNI is open to question with regard to conflict of interest.

The Draft TDPNI states:

> *SONI is supported by experienced professional planning and ecological consultants. These consultants assist in the development of transmission infrastructure projects, and in other aspects of network development, from a planning and environmental perspective.*

There would appear to be three levels of consultancy advice in relation to the Draft TDPNI.

Firstly, strategic high level review e.g. HRA

Secondly, a specific assessment for a particular site e.g. for a cluster station

Thirdly, where that consultant is also working for a private developer who seeks to connect into piece of infrastructure that will be applied for by SONI – e.g. a wind farm seeking to connect into a cluster station.

We refer by example to the imminent Kells Cluster Station application where the consultant who carried out the high level HRA for the whole of NI, was then appointed to carry out the Kells Cluster Station assessment and at the same time is acting for a private developer seeking planning permission for a renewable development to connect into the Cluster Station at Kells.

We ask the UR to give a view as to whether it is in the public interest that the same consultancy company should be both acting for the provider with statutory powers, and at the same time the private developer connecting into that provider's infrastructure. We find it hard to see how there could not be a professional conflict of interest and this is detrimental to the objectivity required for the best interests of the consumer. We ask the UR to create guidelines for the engaging of consultants and, in our view, there should be a clear demarcation that separates those consultants who are engaged by the transmission and network providers, from those who are engaged by private developers who connect into it.

Point 4:
Conflict of interest when a private developer takes on the role of Statutory Consultee.

Within the Draft TDPNI SONI identify the following relationship to Planning and consenting of projects:

> *4.4.1 Our grid developments occur within a planning and environmental context. In this context the focus is on matters of proper planning and sustainable development, and where public participation is of key importance, as is the environmental and ecological impact of our projects, along with providing an economic solution for end-users of the network.*

On a number of occasions in relation to private development of renewables around Kells Substation it has been necessary for the Planning Office to seek consultee advice regarding infrastructural electricity issues from SONI and NIEN.

The public have found the consultee responses of SONI and NIEN obtuse and obscure and in our experience with the Kells Solar application and the Kells BESS, when objectors asked SONI and NIEN to provide clarity they simply do not do it and Planning simply accept that.

Yet, SONI and NIEN, by being statutory consultees are given gravitas in the Planning process.
They are private companies. They have their own business aims and interests.
They are both owned by the ROI Government. That fact shapes the business aims and interests of both SONI and NIEN. And therefore it shapes their consultee responses.

This is simply not right. It is not in the interest of the NI consumer to have SONI and NIEN, private companies owned by the ROI Government, operating as statutory consultees in the NI planning process.

The UR's role is to promote the interests of the NI consumer. As such the UR is the only body that can independently and objectively take on the role of Statutory consultee for planning purposes. The UR understands the industry and can explain in layman terms to the public and planning office the context and issues involved. This change should be made as a matter of urgency.

Point 5:

Noise:

It is the policy of SONI to consider noise emissions from their network:

> *ENVP6: To employ methods on transmission infrastructure which minimise noise emissions in line with best industry practice.*
>
> *ENVO2: To give careful consideration to the siting of transmission infrastructure so as to ensure that noise-sensitive receptors are protected from potential noise emissions.*
>
> *ENVO3: To seek to preserve and maintain noise quality in accordance with good practice and relevant legislation.*

We advised the UR in July 2019 that:

> *For those living in and around the Kells Substation we have become aware of a constant persistent hum which we believe to be associated with the upgrade works to the substation.*
>
> *We sought assistance from the two local councils' environmental health officer who referred us directly to NIE Networks. Initially they were excellent and commissioned independent consultants to carry out a full noise survey circa January 2019. Informal feedback from NIE Networks confirmed excessive noise and that a report was being compiled and a meeting with the local residents would be set up.*
>
> *That report has not been made available to us nor have the neighbourhood discussions taken place, despite numerous requests.*
>
> *Our concern is we now have a number of planning applications around us for additional noise producing electrical installations, including the solar application inverters, wind farms and now a battery plant, the noise implications of which are not being assessed against the base of the existing nuisance being produced by the Kells Substation.*
>
> *Without a transparent discussion about the current noise situation and how the current nuisance can be mitigated back to the pre-substation works noise levels, we are concerned*

the DFI planning department will not be able to make a fair judgement as to the cumulative noise impact of the Kells Solar farm on our neighbourhood.

We seek your assistance in releasing this report and any proposed mitigation works to the environmental health officers in Antrim and Newtownabbey Council, and Mid and East Antrim Council without further delay and that this information is released to the community who have had to suffer this noise nuisance for over a year now.

In a meeting with the MD of NIEN, KellsVOCAL and Jim Allister MLA on the 23rd April 2020, NIEN agreed to release the raw sound data but to date, and without explanation, this has not been provided.

Also in that same meeting, with the MD of NIEN present, NIEN admitted that due to the current noise exceedances, they are operating illegally at the Kells Substation.

It is only now in relation to SONI engaging with the consultation process for their Cluster Station Application that has brought the issue of noise from the Kells Substation to a head.

In a meeting with SONI, Paul Girvan MP and KellsVOCAL, on 06-04-20, SONI rep in their draft minutes stated: (red are items added by SONI post meeting):

SONI The 110kV busbars feed the 275kV transformers which put it on to the transmission ring going either east or west.
Note: (Post-meeting) During periods of high renewable generation the above is correct.

SONI It is the 275kV transformers that are making the noise. These are the large transformers. The two smaller transformers are shunt reactors and they are for voltage control – if the voltage gets too high they come on.

We have stated from the outset with NIEN and EHO that there was a correlation between noise experienced on the ground by this community and the power on the network coming from renewables as identified on the SONI live website. All this data indicating the correlation and tracked over months has been made available to the EHO who we understand have asked NIEN for clarification. Up until the above draft minutes were received, NIEN have consistently denied any correlation.
In the draft minutes SONI states by clarification that the noise from the two 275kV transformers is a result of high renewable generation.

We refer back to 4.1.5 of the Draft TDPNI and would advise that our experience is that these statements are tokenism and do not relate to a commitment in practice to keep noise levels at the substations at all times below legal limits.

We ask the UR to create an effective complaints procedure and a methodology to react and mitigate within a timescale that reflects a concern for the health and wellbeing of the affected community.

Point 6:

Changes to the Draft TDPNI 2019-2028 since TDPNI 2018-2027 which do not concur with impact assessments and mitigation proposals

The Draft TDPNI simply focuses the necessary improvements to the transmission system but should at the same time identify problems and risks for the projects in relation to impacts on the communities likely to affected.

On 27th June, 2019, the UR published its decision paper and approval of SONI's TDPNI 2018-2027. In it SONI identified that the two 275kV transformers would be replaced;

> *Kells Inter-Bus Transformer 1 and 2 Replacement*
> *The 275/110kV 240MVA interbus transformers IBTX 1 and 2 at Kells are to be replaced due to the age and condition of the existing transformers. Completion date: TBA.*

In July 2019, KellsVOCAL advised the UR of the noise issues NIEN had been investigating and that we had been advised by NIEN were having an adverse impact on properties 1.5km away from the Kells Substation.

We were therefore surprised to see in the updated Draft TDPNI 2019-2028 that the replacement of these two transformers, the stated source of the noise due to their age and condition, were no longer in the plan for replacement:

> *Kells Inter-bus Transformer 1 and 2 Replacement* *Cancelled*

This was corrected in the revised document on the UR's website Section 1.8 which states that the following changes have occurred between 01-01-2019 and February 2020:

> *Kells Cluster Estimated completion date Summer 2024 Kells Inter-bus Transformer 1 Replacement Erroneously stated as cancelled during the SONI consultation on TDPNI 2019-2028 – this project is going ahead and is expected to be completed by 2024.*

The omission was not an error. We know from our meeting with NIEN and Jim Allister MLA on the 23rd April 2020 that one of the mitigation options NIEN are discussing with EHO is the replacement of one transformer and acoustic baffling of the second transformer – an option which it looks like NIEN have already decided upon - hence the amendment.

This means that the community, who have already suffered significant noise exceedence resulting in mental aggravation for two years, are expected to live with it for a further four years.

We should remind the UR that NIEN has admitted to KellsVOCAL and Mr Jim Allister MLA in a meeting with the MD of NIEN present, that due to the noise exceedances at the Kells Substation, they are currently operating illegally.

We remind the UR that NIEN is a ROI owned private company and reported profits of over £56.4 million in the six months ending 30-06-2019. We expect NIEN to use some of those profits to bring the substation at Kells back within legal operational limits and without delay.

It is not acceptable to this community to mitigate one transformer only to begin with. When we first complained to NIEN stated to us that their acoustic consultant recorded excessive sound levels at a home 1.5km from the substation at a time when there was only one transformer operating. Full mitigation measures are required at the Kells Substation for both transformers and shunt reactors. How they achieve that this summer is up to NIEN, but this community is not prepared to wait.

We think therefore that the Transmission Plan, in the reporting of individual project areas and the planned works, should have at the same time a column identifying why the works are required eg noise mitigation for illegal operation.

Point 7:

The Draft TDPNI states in section 5.2.1 Demand, Generation and Interconnection:

> *Our All-Island Generation Capacity Statement 2019 (GCS)28, available here, details the forecast of electricity demand for the years 2019 to 2028.*

The referred document highlights:

> ***Ireland***
> *The demand forecast in Ireland is heavily influenced by the expected growth of large energy users, primarily Data Centres. These need a lot of power and can require the same amount of energy as a large town. Our analysis shows that demand from data centres could account for 31% of all demand by 2027 (in our median demand scenario).*

We note that there is no such reference to demand growth in Northern Ireland:

> *Northern Ireland*
> *The electricity demand in Northern Ireland has been relatively flat in the last number of years.*

The ROI has an economic model that supports the technology giants. These companies (Facebook, Google, Amazon, Microsoft etc) rely on data centres which are huge power guzzlers, as EIRGRID states above.

So on the one hand we in Northern Ireland have been asked to provide 40% of our power from renewable resources – and the consumer has funded that. It is not clear, as a consumer and as a community affected by that drive to reduce power consumption and subsidise its sourcing from

renewable resources, how this is reconciled given the cross jurisdictional energy market with extravagant energy consumption in the ROI. It would appear that, given the ownership by the ROI of the transmission system and electricity infrastructure of NI, that on the one hand NI consumers are being told that the renewable drive, and subsidy of it, is essential to our wellbeing in NI and to providing a safe and secure supply, but actually investment is geared to supporting tech giants such as Google, Amazon Facebook and Microsoft in the ROI, together with their necessary data centres, and those companies stated requirements to increase their renewable energy proportion of their needs:

> *Microsoft's data centres run on 60 percent renewable electricity and the company plans to boost this to 70 percent renewable energy by 2023*
>
> *Facebook has committed to using 100% renewable power for global operations by 2020*
>
> *Google has become the largest corporate buyer of renewable electricity by matching the huge energy demand of its global operations and data centres with the electricity generated by renewable energy projects.*
>
> *Amazon Web Services is working to achieve its goal of 100% renewable energy usage for our global infrastructure footprint.*

Due to the cross jurisdictional energy strategy and ownership, NI finds itself as junior partner in this economic programme and is left with the distinct feeling that it is being misled in following a renewable target strategy not to its benefit.

Reflecting the role of the UR, we ask you to ensure that the interests of the NI consumer are being promoted in the context of a Single Energy Market where there is a great disparity in the levelling off of energy consumption in NI and the extravagant expansion of energy consumption in the ROI, given the ownership by the ROI of the transmission and electricity infrastructure of NI.

Point 8: Health and Safety issues around Battery Installations (BESS) and their requirement for Grid Support..

There is a growing conversation about the need for batteries to back up and support intermittent renewable generation. In the latter situation, Planning legislation requires these BESS to be co-located with the renewable source. However, there has been a series of BESS applications made specifically to provide Grid Support and these are co-located with NIEN substations and not with a renewable generator. Seven have gained Planning Approval and six are located on the NI Transmission ring: Tandragee, Tanamore, Ballylumford, Kilroot, Casltereagh and Kells. This is a total of export/import capacity of 350MW.

<u>This is of note to the UR because of the claim by developers that the BESS's are needed to provide Grid Support.</u>

Interestingly, in the Kells BESS application, neither SONI nor NIEN gave credence to this claim rather stating instead, obscurely and without any explanation to the Planning Office, that:

> *SONI: We remain neutral in this case and do not deem the application to be in conflict with the operation of the substation.*
>
> *NIEN: Networks has no response to make.*

It does not seem credible that in the space of a year that six huge power generators should all co-incidentally seek planning permission, all located on the critical 275kV transmission ring of NI. And all claiming the NI need to provide Grid Support.

More credible is the reckoning that this manoeuvre is one of the mechanisms designed to provide backup power storage for the transmission network by piggy-backing on the all-island supply chain. One of the economic reasons for this would be to ensure a continuous power supply to the data centres in the ROI in the event of outage.

All these BESSs have been approved by Planning as local developments by following a planning misnomer that is counter to the policy in England, Wales and Scotland, that they are not generators and therefore do not require a higher level of planning scrutiny. There has been an absence of any stated policy support or explanation to the consumer, in any official documentation provided by SONI, NIE or the UR as of mid 2019. By this point, most of these battery developments had passed through the planning system. We seek the UR's investigation as to whether this clearly organised ring of development to support the Grid is an example of deliberately misleading the NI consumer by project splitting what is essentially a vast infrastructural Grid Support Project.

Of even more concern is the fact that all these BESS's represent a serious fire risk with potential to release of clouds of toxic gases and risk of explosion. In the case of the Kells BESS, it will be 30m from someone's home. In the Castlereagh BESS, it is located on the edge of the Belfast and in direct line of the prevailing winds in the event of a toxic gas cloud emission. We cannot understand why the UR would not be responsible for the interests of the NI consumer in this regard. We attach herein our response to the PAC on fire risk for the Kells BESS that will fully explain the risks involved. We ask your risk assessment officer to investigate this with the HSENI and the NIFRS because if these BESS's are genuinely required for Grid Support, then the UR should have oversight of their implementation and regulation. We have widely circulated this paper, prepared in collaboration two international chemical engineers, to the Planning Service, the PAC, the NIFRS, the HSENI and the Ministers of Health and Infrastructure. It is telling that no one has come back to say that our information is incorrect, or our concern misplaced. <u>To date, each department has stated that they require another department to act.</u>

Our concerns have been echoed by the Arizona State Commissioner's letter of August 2nd 2019 citing her concerns following two Lithium-ion battery fires in 2012 and 2019 where 8 fire officers were injured, four seriously. She states:

> *…what has become apparent is that utility scale Lithium-ion batteries using the chemistries in those types of lithium-ion batteries are not prudent and create unacceptable risks, particularly those with chemistries that include compounds that can release hydrogen fluoride in the event of a fire and/or explosion.*

The Flagstaff Fire Department Report for the 2012 incident also states concerns about 'a serious risk of a large scale explosion' and 'the cabinets involved are full of lithium batteries that are extremely volatile if they come into contact with water'.

Knowing how easily a fire and/or explosion can evidently occur at these types of relatively small (2MW) lithium-ion battery facilities, it appears that a similar fire event at a very large lithium-ion battery facility (250MW+) would have very severe and potentially catastrophic consequences, and that responders would have a very difficult time trying to handle such an incident.

To appropriately plan for such a catastrophic event, the large scale lithium-ion battery facility using the same chemistries as the APS Elden Substation (Flagstaff) Facility fire and the McMicken Facility would need to be built in isolation far from anything else, because an explosion could potentially level buildings at some distance from the battery facility site. The energy stored at a 2MW battery facility is equivalent to 1.72 tonnes of TNT. The energy stored at a 250MW battery facility is equivalent to 215 tons of TNT. Also, large amounts of hydrogen fluoride could be released and dispersed that would affect and harm the public at a substantial distance downwind. There would be concerns also about lingering hydrogen fluoride contamination in the affected areas.

Arizona Corporation Commissioner Sandra Kennedy, State Correspondence August 2nd, 2019.

Please refer to our full report attached on the Fire Risks of BESS.

Point 9: Questions in the round

We fully understand the need for a secure and safe electricity supply. The UR writes in 'Corporate Strategy 2019-2024' Section 5 Fairness and Consumer Outcomes that:

> *There is much discussion on the effectiveness of competition and consumer outcomes in regulated markets. There is a view that markets have not delivered consumer focused outcomes, especially for vulnerable consumers. NI has the highest level of fuel poverty in the UK.*

It would appear that it is not only the market which is creating the context for that consumer distress. A significant contributor is the various hidden costs embedded in the pricing of energy which is ostensibly fairly shared. The current extent of these hidden charges is captured in the UR's Conclusion of the Utility Regulators review of the power NI Ltd maximum Average Price, Oct 2019, it sets out the costs to the consumer but unfortunately not in a manner which is clear to the consumer what they actually mean and how they affect their bills.

It raises the issue that the relentless and in the context of other European countries the over hasty pursuit of an inflated in quantum and in the time expectation for delivery of renewable penetration targets has not been balanced with what can be seen as foreseeable impacts. The stresses for example on the network we have identified above, in terms of noise, the wholesale disregard for the dangers of new technologies such as BESS without proper oversight, auditing and regulation, but the one most visible to consumers is the unfair distribution of cost and its contribution to fuel poverty. For instance:

1. *NI ROC payments (NIRO)*

   2.10 These costs are audited on behalf of the UR by Ofgem as part of its UK-wide audit. NIRO is the Northern Ireland Renewables Obligation and the costs of it go towards the subsidisation of investment in renewable energy e.g. windfarms in Northern Ireland.

   Every consumer pays an equivalent sum per unit of energy consumed to subsidise renewable generators irrespective of their ability to pay. There is no means testing.

   For example, those who could afford to invest in solar panels on their roofs, achieve a return on their electricity bills but that payment is made paid in part by those who could not afford to have solar panels on their roofs and is a contributor to their fuel poverty situation.

2. *Wholesale Energy Cost and Power NI Over/Under recovery element*
   2.17 …There is an increase of the amount of wind generation on the system meaning that less efficient generators are not used but still require a payment to be made to them for their availability;

   Consumers are having to subsidise the whole energy system as a result of the drive for renewable generation which is neither stable nor reliable. Consumer contribution is not means tested and it results in the least well off consumers have to carry an equal burden for this decision.

3. *Use of System Costs*
   2.18 The Distribution Use of System (DUoS) costs have increased substantially this year. Again, there are a number of contributing factors to this:
   - *Fall in overall demand for energy from domestic and small businesses due to increase of PV panels and other energy efficiency measures. This decrease in demand results in the NIEN fixed costs being spread across less units, increasing the DUoS unit rate which forms part of the overall Power NI un it rate.*

   This represents further costs added to the consumer electricity bill. That consumer contribution is not means tested and it results in the least well off consumers have to carry an unequal burden for this decision.

In the context of these extracts from the UR report we have to perhaps take a step back and take Fuel Poverty seriously and the distribution of the renewable strategy surcharges on bills embedded and distributed in the UR report. This will need a much more honest and transparent discussion with the NI consumer on this non means-tested tax on consumer consumption, all in relation to the broader and connected all island energy strategy,

KellsVOCAL