

Northern Ireland Natural Gas Association response to Framework Document for NISEP 2013-14

The NI Natural Gas Association, is an association that represents the interests of its membership whose primary objective is to promote the development of and take up of natural gas in N.Ireland.

Over 500 companies and 3,000 staff are involved, to a greater or lesser degree in the local natural gas industry. A large percentage of these companies are part of the local SME market and continue to offer sizeable local employment at a time when it is needed most.

In addition to the private investment of gas utility companies operating in N.Ireland, the wider industry has been responsible for over £5 billion of investment into the local economy in the last 12 years converting homes and businesses to natural gas.

1. Respondents are asked to provide any comments or evidence that they have in relation to the equality impact of the proposed changes.

We are satisfied that the proposed changes meet UR obligations concerning the promotion of equality of opportunity towards those applicants qualifying for NISEP funding.

We would however ask for additional clarification regarding procurement process and the role of sub-contractors participating in NISEP schemes to be satisfied that the current framework ensure that no sub-contractor has the opportunity to have an unfair advantage over another company as outlined in answer to question 9.

Do you agree that the final date for schemes bids to be submitted to the Programme Administrator should be put back to 31st December 2012 to allow more time for schemes to be developed following consultation?

We believe that 31st December is a reasonable date to allow 2012-13 scheme bids to be forwarded to the Programme Administrator. We believe that this is particularly important for potential new Primary Bidders so that they have the opportunity to fully consider the application.

Do you agree that the NISEP funding should remain static at the 2012-13 level until the NISEP is reviewed or a new energy efficiency measure is introduced?

Given the custom increase in funding in line with the rate of inflation it seems disappointing that the fund available for initiatives will not increase for the 2012-13 programme. We do however understand that as there is review of this area it is more practical to have all other parts of the NISEP funding framework remain static

Do you agree that Solar PV should be the only type of renewable energy measure approved for NISEP scheme?

We welcome the stance adopted by the UR in this area and believe that as per 2.1 of the framework document each application should be based on the measures promoted being in the customer's financial interest.

Do you agree that a 10% ring fence of funding for innovative and renewable energy measures (Solar PV) is more appropriate than a 5% ring fence for renewable (SolarPV) and a 5% ring fence for innovative?

No views on this subject

Respondents are asked to comment on what the appropriate level of incentives should be for delivery of NISEP schemes.

We believe that there are too many schemes being funded via NISEP and that additional efficiencies could be introduced into the programmes by introducing a limit on schemes. Fewer schemes with fewer administrators will reduce costs in this area and require less money to be ring fenced for incentive purposes.

Do you have any comments on or issues with the revised Accedence Document contained in Appendix 8 of Annex 1?

No comments

Do you think that the guidance regarding compliance with State Aid, now contained within the Framework Document, is clear and adequate?

The information in this area is clear.

Do you have any comments on the additional clarification in the Framework Document regarding procurement arrangements, sub-contracting arrangements and partners?

The NINGA welcomes the review of this area however believe that additional clarification could be given in this area.

Given there are a limited number of organisations that will meet the set criteria and have the desire to be a Primary Bidder the framework should offer full and equal opportunity to SME's working within the local energy industry to become involved in key roles within the programme.

The procurement process should offer those companies who have an interest in participating in a sub-contracting role every reasonable opportunity to be notified of such schemes and a reasonable time to respond. The 3 weeks noted in the framework document seems a reasonable time period for responses.

We believe that particular clarification should be given to the potential any one organisation has to carry out more than one subcontracting role in any one scheme and specifically the impact this can have to the equality of a scheme.

To offer some background to this request; In the 2012/13 NISEP Snug Plus Scheme the appointed Scheme Manager who within this role routinely carried out initial customer surveys was also registered as an installation company within the same scheme and provided the post installation inspection.

Although reassurance has been offered by the Primary Bidder that Scheme Manager Staff are 'well versed on how the scheme works' these multiple roles this one organisation plays must distort competition in this area and amount to a perceived unfair advantage to other qualified installation companies hoping to compete for this work.

This sort of scenario where a scheme manager also provides an installation service will, regardless of how much an organisation sets out to separate these roles, discourage customers to exercise their right of getting a number of quotations from listed installation companies and instead is a most favourable situation for the Scheme Manager who is already in the customers house completing initial survey.

We ask that further clarification is offered within this area to ensure that clear guidance is given to ensure that any sub-contractors, scheme managers and/or other organisations involved in delivering a NISEP scheme don't have an unfair advantage in one of their roles as a result of their involvement in another.

Do you have any comments on the revised SECTION 2.5, Payment of NISEP funding, in the Framework Document?

No comments in this revised section