

**28<sup>th</sup> April 2017**

**Renewables Grid Liaison Group**

**Minutes of Meeting No20**

<b>Attendees</b>	
<b>Utility Regulator</b>	Jenny Pyper (JP) Tanya Hedley (TH) Jody O'Boyle (JO'B) Ciaran McCann (CMcC) STUDENT
<b>NIRIG</b>	Andy McCrea (AMcC)
<b>NIE Networks</b>	Michael Atkinson (MA) Ian Craig (IC) Nigel Crawford (NC) Stephen Thompson (ST) Roger Henderson (RH) Brian Moorhead (BM)
<b>SONI</b>	Gerry Hodgkinson (GH) Eimear Watson (EW) Louis Fisher (LF) Nick Fullerton (NF)
<b>Department for the Economy - Energy Renewables Division</b>	Trevor McBriar (TMcB)
<b>NISTA</b>	No attendee
<b>Offshore Representative</b>	No attendee
<b>Ulster Farmers Union</b>	No attendee
<b>Energy Storage Representative</b>	No attendee
<b>Apologies</b>	Meabh Cormacain Chris Osborne Brian Pope

No	Item	Action
1	<b>Apologies</b>	
2	<p><b>Minutes and actions from previous meeting</b></p> <p>Minutes agreed for publication</p> <p>TH mentioned as a possible action writing to all participants of the RGLG to enquire if they still want to retain membership.</p> <p><b>Actions from previous meeting</b></p> <p><u>Action 1</u> NIE Networks to notify the UR and DfE when the notification letters are being released. <i>Completed</i></p> <p><u>Action 2</u> SONI. Cost benefit analysis of larger investment beyond the medium term plan <i>Completed – included in agenda</i></p> <p><u>Action 3</u> SONI. Update on RIDP <i>Completed – included in agenda</i></p> <p><u>Action 4</u> NIE Networks to Publish Long Cable Report <i>Completed</i></p> <p><u>Action 5</u> NIE Networks to notify the UR and DfE when the notification letters are being released. <i>Completed</i></p>	
3	<p><b>Update on the UR Connections Review Consultation</b></p> <p>TH summarised the current position on the call for evidence on connections review. Responses returned and published on UR website. Intention is to go out to consultation on next steps later this week.</p> <p>CMcC presented slide pack on Connections Review (presentation and consultation will be available on the RGLG section of the UR website)</p> <p>MA commented that as current “conventional” capacity is exhausted a debate is required on funding, or otherwise, of any future capacity.</p> <p>RH asked a question regarding the support for the lack of capacity applications. CMcC stated it would be a licence modification to support refusal of offers where capacity is exhausted. Legislation makes provision for refusal whereas the</p>	

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	licence does not. This is part of the ongoing work.	
4	<p><b>DfE – General Update</b></p> <p>TMcB commented that with the exception of grace periods for eligible projects, the NIRO will be closed to all technologies on 31 March 2017.</p> <p>A replacement incentive scheme will not be in place from 1 April. The Department will need the Executive to consider whether the GB Contracts for Difference Scheme should be extended to Northern Ireland</p> <p>TMcB noted that the recently published consumption figures for 2016 were the same (25.4%) as the previous year even though there was added renewable capacity.</p> <p>SONI and NIE Networks stated there were factors that may explain why an increase in installed capacity didn't equate to a proportional increase in consumption but agreed to review and comment on the figure in more detail.</p> <p>TH requested that NIE Networks and SONI produce analysis predicting RES against target to 2020 – suggested something similar to the demand forecast low/medium/high scenario.</p> <p>JOB asked if direct rule was imposed would a decision be made on CFD. TMcB responded that he was unable to answer.</p> <p>JP asked TMcB if there ever was a decision/recommendation on CfDs put to the minister. TMcB advised that the Minister was aware of the relevant issues but the matter had not been progressed due to other pressures.</p> <p>JP stated that from the UR's perspective a strategic direction on energy was something that needed an early decision.</p> <p>AMcC asked if it would be worthwhile for the UR and DfE to engage on the rebate issue. TH agreed to action this.</p>	<p><b>NIE Networks/SONI</b></p> <p><b>NIE Networks/SONI</b></p> <p><b>UR</b></p>
5	<p><b>Renewables Connection Process</b></p> <p>NC give brief summary on small scale generation</p> <ul style="list-style-type: none"> <li>• 2016 – c290 connections (incl 200km overhead line)</li> <li>• 150 jobs currently in construction <ul style="list-style-type: none"> <li>○ c60 are 90% complete</li> </ul> </li> <li>• 120 jobs in pre-construction</li> <li>• Developing grid delay letters as required</li> </ul> <p>MA gave presentation on generation connections (attached).</p> <ul style="list-style-type: none"> <li>• 1275MW connected</li> <li>• 490MW committed</li> <li>• 1766MW total</li> </ul> <p>MA stated that these are very significant levels and are bringing</p>	

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	<p>the connected renewable generation close to maximum system connected load (c1800MW). This has posed significant management challenges.</p> <p>MA summarised the position of Phase 1 of the Alternative Connections Application and Offer Process. 173MW of offers so far with SONI carrying out further transmission analysis. c200MW is regarded as the likely limit under current connection methods.</p> <ul style="list-style-type: none"> <li>• 11 offer LSG c130MW</li> <li>• 61 offers SSG c30MW</li> <li>• 25 offers zero export c13MW</li> </ul> <p>NIE Networks will be publishing cluster details on their website.</p> <p>BM gave presentation on initial draft of the process, going forward, on determining status of applications.</p> <p>TH asked if there were any capacity issues for a large generator c200MW connecting in Belfast area. LF stated that it was dependant on the technology and capacity but it was likely to be transmission limitations within the existing network. The reinforcements required would be submitted for consideration.</p> <p>JP commented that the process map could be exceptionally useful in explaining the situation at a political level. A concern of the UR was there was a considerable degree of agitation from ministers about the state of the grid and problems with individual landowners and constituents getting connections. JP considers there would be real value in developing a one page “hymn” sheet of the positives within the connections story that explaining the sophisticated process required to determine if a connection can be made. It would be helpful to include key/clear/consistent messages that a new committee would need to consider.</p> <p>MA commented that NIE Networks would always welcome the opportunity to brief the relevant ministers.</p> <p>TH suggested that it would be useful to have a briefing pack that would cover the following:</p> <ul style="list-style-type: none"> <li>• Current state of the network</li> <li>• Process</li> <li>• Key issues (lack of capacity, lack of government target beyond 40%, desire to develop further capacity on network</li> <li>• Decisions required from executive in terms of steer</li> <li>• Targets - where we are now /where we will be in 2020</li> </ul> <p>NIE Networks and SONI to produce data to facilitate production of briefing pack.</p>	<b>NIE Networks/SONI</b>
6	<p><b>Update on Phase 1/Phase 2 – Connection Application/Offer Process</b></p> <p>EW stated that last year’s transmission assessment for Phase 1 was updated in Jan/Feb 2017 enabling more offers to be made by</p>	

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	<p>NIE Networks.</p> <p>Also, a reassessment of the 25MW Zero Export limit was carried out in regards the level of uncontrolled generation that could be accommodated. SONI's understanding was that this allowed all the current zero export applications to be offered where other network constraints or limitations did not apply.</p> <p>A new section has been included in the Renewables Integration Status Report to explain how the complexity of managing the system has increased due to the levels of uncontrolled generation. SONI is considering reducing the level of control down to 1MW. This will require industry engagement and Grid Code changes.</p>	
7	<p><b>Contestability</b></p> <p>NF stated that SONI have been working through contractual framework with NIE Networks for the last number of months in relation to introducing contestability for transmission connections. It is a complex area with risks and liabilities for both companies. The aim is to arrive at a solution that is acceptable to industry from a cost perspective and with manageable risks for the connecting contestable party.</p> <p>At present SONI are unaware of any transmission contestable connections in the pipeline that would be negatively impacted while the contractual framework was being reviewed.</p> <p>RH stated there were 14 registered ICPs under the NERS scheme to work in NI. At present, there have been 4 greater than 5MW contestable offers made with 1 having accepted.</p>	
8	<p><b>Renewable Integration Status Report</b></p> <p>EW stated that the report had been updated and would be published on the SONI and NIE Network websites.</p> <p><u>North/South Interconnector.</u> Planning Appeals Commission reconvened the public enquiry process. In NI it was divided into two parts. In June 2016 legal matters dealt with. In Feb 2017 the case of need was dealt with. Planning decision expected by the end of 2017. In Republic of Ireland the public consultation process has been completed and planning was granted in Dec 2016. This is currently under appeal and the outcome expected in Q4 2017. To fast track construction phase NIE Networks and ESB Networks have both issued design tenders.</p> <p><u>Omagh/Tamnamore.</u> Gort-Tamnamore line now energised. Gort-Omagh section under construction and due to complete summer 2017.</p> <p><u>Drumquin Cluster.</u> Construction approval granted and construction works started.</p> <p><u>Garvagh Cluster.</u> Transmission connection method now finalised (loop into Rasharkin/Brockaghboy 110kV line). Pre-construction</p>	

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	<p>costs approved. Currently working on offer to NIE Networks.</p> <p><u>Kells Cluster</u>. Currently working on connection method. Working with NIE Networks on the connection offer under TIA processes. Hoping to engage with developers to determine status of likely projects.</p> <p>AMcC stated that the developers are very keen to engage in discussion around the clusters. MA to update AMcC on upcoming meeting.</p>	
9	<p><b>SONI Update on Transmission Reinforcements</b></p> <p>GH gave presentation “Transmission Development Update” (attached).</p> <ul style="list-style-type: none"> <li>• Developments to Date</li> <li>• Study of Future Development Requirements</li> <li>• North-West Vulnerability</li> <li>• Principle Issues for Committed Generation</li> <li>• Development Summary</li> </ul> <p>TH commented that a new 275kV circuit is a significant project for SONI to bring through the D5 price control process for approval and based on previous experience we could wait 20 years for it. TH suggested that it may be valuable, even though this level of funding wasn’t being sought, bringing a paper to say SONI aren’t taking this forward and the reasons why. This would give an element of cover and an acknowledgement that the UR accepts that in the long term, in the absence of a 275kV solution, the system has to be managed operationally.</p> <p>GH stated that a cost/benefit analysis would determine whether it was better to constrain and manage operationally or to build the required infrastructure. That decision will become clear over the next year which would be communicated to both UR and industry.</p> <p>TH suggested that due to the significance of this matter it would be useful to have something to present to the UR board and have it acknowledged in minutes. This would give visibility and would stop the impression that SONI were making this decision in isolation.</p>	
10	<b>AOB</b>	
11	<p><b>Date of Next Meeting</b></p> <p>UR to set next date – June 2017</p>	<b>UR</b>

## Summary of Actions

Action No.	Action Description	To be Actioned by
1	NIE Networks and SONI to produce prediction to 2020 on meeting 2020 RES target.	NIE Networks/SONI
2	NIE Networks and SONI to review 25.4% consumption figure for 2016	NIE Networks/SONI
3	UR to engage with DfE on rebates.	UR
4	Ministerial Briefing Pack.	NIE Networks/SONI
5	Date of next meeting Post meeting note: 27 <sup>th</sup> June 2017 2pm at UR Offices	UR