

21 January 2011:

SmartGridIreland

Unit 16
The Innovation Centre
NI Science Park
Queens Road
Belfast
BT3 9DT

Reference – Utility Regulator Draft Forward Work programme 2011-2012

SmartGridIreland (SGI) welcomes this opportunity to comment on the Utility Regulator Forward Work programme and commend the generally comprehensive programme therein.

We write as a network body focused in the “smart grid” arena in Ireland and we have recently prepared a detailed proposal of how NI would benefit from the early implementation of a series of smart grid trials. This has been submitted to DETI for their consideration. The document outlines the benefits to NI in terms of direct improvements to the grid efficiency and future ability to integrate renewables at scale. It also proposes a trial that will test consumer behaviour in a meaningful way. All of these are cross cutting themes which run through elements of your longer term corporate plan but which directly address the “policy into action” tasks implicit in the Strategic Energy Framework published by DETI in September 2010

We believe that the Forward Work programme should include a priority action to plan on how UREGNI will deliver the equivalent of the Ofgem Low CARBON Network Fund initiative. This is a £500 million 5 year programme but NI is not part of this innovative scheme. On the usual pro rata calculation NI should be running a £8 million programme which would be a significant contribution to the overall projected costs of £16 million outlined in the NI Smart Zone plan.

We note that UREGNI is committed to “delivery through consultation” and would therefore emphasise that the NI Smart Zone proposal is a collaborative effort produced as a result of inputs from over 50 organisations in NI encompassing multi nationals, academia, representative groups and all levels of the SME sector.

At a detailed level we would offer the following comments;

Environmental sustainability and security of supply

2.39 In conjunction with CER and DETI we will finalise a demand response strategy with the aim of developing a coherent set of arrangements covering smart grids, demand side management/smart meters, aggregation of generation and demand reduction and energy efficiency.

We note the aspirational aspect of this extract and are supportive of the context; however we do not see any clarification of the content or timeline within the document beyond “ Finalise Demand Response Strategy” in Section 3 FWP Actions.

We note also the strategic priorities listed at 2.1 which are timelined 2009-2014 and observe that we are now in 2011 which is about 3 years beyond when these were stated. There has been significant technological advancement since then at quite a pace which is reflected somewhat in the objectives quoted in the earlier RP5 consultation –

- To ensure value for money for customers for the service provided
- To ensure security of supply by maintaining and developing a network which is fit for purpose
- To facilitate sustainability in the generation and consumption of electricity.

Thus we feel that the more recent objective have a relevance especially to recent policy statements as per Strategic Energy Framework ,

“A vision of a smarter grid that encompasses not only smart meters but a myriad of new technologies that empower people to take responsibility for their own use of energy will be a crucial building block in developing an electricity system that is responsive to need and that is integrated across all sectors of our society.”

We detect significant compatibility with clause 2.39 from an objective perspective but see no detailed roadmap for realisation within the Draft Forward Work Programme 2011-2012.

The mentioned technology advances were further acknowledged in the RP5 consultation –

“The form and structure of a possible smart grid for the network in NI is yet to be decided, but the Utility Regulator proposes a trial during RP5 and a level of funding may be required.”

Accordingly, and as outlined in our opening remarks we see a Smart Zone pilot as an appropriate and relevant way to clarify, evaluate and define a coherent set of arrangements. We are of a view that this should be incorporated in the forward Work programme 2011-2012 and not be delayed until after June 2012.

We would welcome the opportunity to have a further discussion on the points that we have raised should this be of assistance to UREGNI, and attach herewith the SGI proposal.

.....
Willie Donaghy
Executive Director
SmartGridIreland

Tel: 028 9073 7952
Mob: 07970 555 777
E: willie.donaghy@smartergridireland.org