



Northern Ireland Affairs Committee

From
Rt Hon. Sir Robert Buckland KBE KC MP

Deirdre Hargey MLA
Interim Minister for the Economy
By email only

24 May 2024

Dear Deirdre,

In December 2023, with Northern Ireland's political institutions still suspended, my Committee launched an inquiry into renewable energy and net zero in Northern Ireland. We did so with reference to NI's targets, under its Climate Change Act 2022, of generating 80% of electricity consumption from renewables by 2030 and reducing greenhouse gas emissions to net zero by 2050.

Recent statistics had indicated that NI was on course to meet neither aim.¹ From July 2022 to June 2023 45.5% of total electricity consumption in Northern Ireland was generated from renewable sources -- a decrease of 1.2 percentage points on the previous 12-month period (July 2021 to June 2022).² The implications were that Northern Ireland would have to double its renewable generation capacity to meet its 2030 target — adding 2.1GW of renewable connections.³

Our inquiry sought to investigate how, if at all, Northern Ireland might be steered back on track to meet its 2030 and 2050 targets, and was guided by the following terms of reference:

- *What measures need to be in place to support the prompt meeting of NI's 2030 renewables target, taking into account the needs of both large installations and micro-generation?*
- *How can investment in renewable electricity generation be sufficiently incentivised without driving up energy costs paid by industrial and domestic consumers?*

¹ These targets were set by the 2022 Climate Change Act (CCA); DAERA, [The Climate Change Act \(Northern Ireland\) 2022 - Key elements](#) | Department of Agriculture, Environment and Rural Affairs ([daera-ni.gov.uk](#)); UK CCC 2023 [Progress Report to Parliament](#); 'Accelerating Renewables in Northern Ireland', Renewable NI, September 2023.

² ['Electricity Consumption and Renewable Generation in Northern Ireland'](#), NI Statistics & Research Agency, 7 September 2023.

³ Asper Investment Management ([REN0017](#)); Ulster Farmers Union ([REN0007](#)); Queen's University Belfast ([REN0019](#)); North Channel Wind ([REN0022](#)); Roger Henderson, [Q31](#)



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- *What best practice exists elsewhere in establishing renewables support schemes for similarly sized markets and encompassing different sizes of installations?*

We were pleased to see the restoration of the institutions in February 2024 but decided to complete our inquiry, not least to acknowledge the time and thought that stakeholders had put into their evidence to our inquiry. We initially planned to publish a formal report on this inquiry, but these plans have been interrupted by the imminent Prorogation of Parliament.

We received and published 44 pieces of written evidence and held three formal oral evidence sessions. I wish to convey to you some key findings from this body of evidence, in the hope that they may help inform your Department's approach to meeting NI's CCA commitments.

The evidence we heard coalesced around three key barriers to NI achieving its net zero goals.

Key theme 1: inadequate infrastructure to support NI's net zero transition

We heard that NI does not have sufficient grid capacity to support a full transition to renewable electricity across the whole region and that anticipatory investment in grid infrastructure and hybrid connections may be useful tools for overcoming this issue. We also heard that leveraging these tools will require the NI Utility Regulator's statutory powers to be updated to include a net zero mandate.

The development of offshore wind was highlighted several times in evidence to us as necessary to build the generation capacity needed for NI to achieve net zero. In its 2021 Energy Strategy Action Plan, your Department committed to developing a plan to deliver 1GW of offshore wind from 2030. Stakeholders told us it is a matter for urgency for the Crown Estate to develop a seabed leasing round, and that this must conclude by 2025 if NI is to meet its target for generating offshore wind by 2030. Notably, we heard that a legislative framework for offshore licensing and development and a decommissioning regime will be necessary pre-requisites for a timely conclusion of this leasing round.⁴

We were told that the transition to net zero poses potential security of supply risks, as NI does not currently have the right infrastructure to ensure energy supply can always meet demand while moving to its 80% renewables target.⁵ NI's renewable energy generation comes primarily from wind, it being the region's most abundant natural resource and thus the "cheapest and quickest renewable energy source for the region" that will be at the crux of NI's renewables transition.⁶ To deal with unpredictable conditions, however, which affect energy generation, stakeholders explained that interconnection, short-term battery storage, and long-term hydrogen storage are technologies which can help NI overcome the security of supply risks posed by wind supply volatility, enabling NI to achieve a secure renewables transition.

⁴ North Channel Wind ([RENO002](#)); Energia Group ([RENO035](#)); ESB Generation & Trading ([RENO016](#))

⁵ Gareth Brown, [Q32](#); SONI (System Operator for Northern Ireland) ([RENO002](#)); Robert Park (Carbon Solutions & Sustainability Consultant at Auditel) ([RENO026](#))

⁶ Electrical Contractors' Association ([RENO005](#)); James Richardson, [Q84](#); Queen's University Belfast ([RENO019](#)); Wind-generated energy accounted for 83.8% of the 45.5% of Northern Ireland's electricity that was generated from renewable sources between July 2022 and June 2023.



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We also heard that while electricity generation through wind energy will be at the heart of NI's renewable transition, it cannot be the only approach; NI must derive its energy from a mix of energy sources.

Biomethane gas received considerable support as an alternative energy source to natural gas, as it is a 'like-for-like' natural gas replacement which can be injected directly into the gas network.⁷ We heard that this is useful because it means NI's existing gas networks can be used to facilitate the expansion of biomethane gas as a renewable energy source and displace fossil fuels, avoiding the disruption and costs associated with building new infrastructure.⁸ While we note that the developing biomethane gas as a renewable energy source has already received support from your department, we heard that an Executive policy and legislative framework, which NI is currently lacking, will be necessary to scale-up indigenous biomethane generation and injection into the gas network at pace.⁹

Key theme 2: an unsupportive policy environment

Submitters told us that investment in renewables has declined markedly in recent years, preventing NI from securing the infrastructure it needs to deliver its renewables commitments. In 2016 there were 400MW of renewable connections; but in January 2024 we heard that in the preceding five years only a further 86MW had been connected.¹⁰ In 2022, Northern Ireland connected only 30MW of renewables while the Republic of Ireland connected more than 20 times this amount (688MW).¹¹ Notably, we were told in March 2024 that 95% of the financial investment in renewables on the island of Ireland in the past year had gone to the Republic of Ireland.¹²

We were told that Northern Ireland's current policy environment could be improved to attract investment. Disjointed planning policy and the lack of a renewable support scheme were identified across written and oral evidence as key barriers to development.¹³

On planning policy, we heard that NI's planning process is disjointed and weighed down by systematic approval delays, and that this has created a planning environment that deters rather than supports investment in renewables in NI. We heard that remedying this situation will require a revision of NI's current planning policy which includes uniform pre-application requirements across district councils.¹⁴

On a support scheme, we heard that since the Northern Ireland Renewable Obligation Certificate Scheme (NIRO) closed in 2017, NI has been the only country in the United

⁷ GNI (UK) ([REN0040](#)); Stream Bioenergy ([REN0028](#))

⁸ Mutual Energy ([REN0023](#)); Firmus Energy ([REN0024](#)); Stream Bioenergy ([REN0028](#))

⁹ GNI (UK) ([REN0040](#)); CBI ([REN0025](#))

¹⁰ Richard Rodgers, [Q120](#); Steven Agnew, [Q12](#)

¹¹ Asper Investment Management ([REN0017](#)); Ulster Farmers Union ([REN0007](#)); Steven Agnew, [Q17](#)

¹² Richard Rodgers, [Q120](#)

¹³ John Boyce, [Q50](#); Steven Agnew, [Q17](#)

¹⁴ Northern Ireland Electricity Networks ([REN0029](#)); Roger Henderson, [Q31](#); Queen's University Belfast ([REN0019](#)); CBI ([REN0025](#)); Steven Agnew, [Q23](#); David Blevings, [Q48](#); UK Pellet Council ([REN0006](#)); CBI ([REN0025](#)); Ulster Farmers Union ([REN0007](#)); Future Renewables ([REN0037](#)); GNI (UK) ([REN0040](#)); The Association for Consultancy and Engineering (ACE) ([REN0041](#)); Renewable Energy Systems ([REN0042](#)); John Boyce, [Q48](#); Ulster Farmers Union ([REN0007](#))



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Kingdom without a government-backed renewable support scheme.¹⁵ We heard that the lack of a large-scale scheme is preventing the development of large renewable projects that can build the generation capacity needed to reach NI's targets, while the lack of small-scale and micro-generation schemes is preventing NI households and SMEs from participating in NI's renewable transition. Your departmental officials told us that introducing a support scheme is a matter of urgency, acknowledging that "there is a problem with investor confidence" in NI's market, given the lack of such a scheme.¹⁶

Key theme 3: a lack of consumer awareness

Finally, we heard that consumer behavioural change will be necessary if NI is to achieve its targets under the Climate Change Act. NI's residential sector will have to reduce its energy demands by 28% for the CCA's 2030 target to be met.¹⁷ However, evidence revealed that consumer awareness of NI's net zero targets and how people might contribute to their achievement is low, with a recent survey reporting that only 54% of consumers said they were aware of NI's commitment to reduce greenhouse gas emissions by 2030. We heard considerable support for an online consumer 'one-stop shop' for impartial information on NI's renewables transition and net zero targets as a means of raising consumer awareness of NI's renewables targets and how they contribute to them.

Given the curtailment of our inquiry, we were keen to ensure that our findings were publicised. While we acknowledge that NI Departments are under no obligation to respond to reports or correspondence from UK parliamentary Select Committees, we hope that this summary of the inquiry is of use to policy makers and stakeholders alike.

I am copying this letter to the Secretary of State for Northern Ireland.

Yours ever,

Robert Buckland

Sir Robert Buckland KBE KC MP
Chair, Northern Ireland Affairs Committee

¹⁵ UK Pellet Council ([REN0006](#)); CBI ([REN0025](#)); Ian Snowden, [Q118](#); Hereafter government-backed renewable support scheme will be referred to as 'support scheme'.

¹⁶ Ian Snowden, [Q118](#)

¹⁷ Consumer Council for NI ([REN0003](#))