

RENEWABLE ENERGY IN NORTHERN IRELAND

Anaerobic Digestion Conference
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RENEWABLE ENERGY – KEY DRIVERS

- **2009 Renewable Energy Directive**
 - by 2020: 15% of UK energy consumption from renewable sources
- **2010: Strategic Energy Framework**
 - by 2020: 40% of NI electricity consumption from renewable sources
- **2012: Programme for Government**
 - 20% from renewables by 2015



What I want to cover

- Key drivers of renewable energy
- How electricity from AD is incentivised
- Biomass sustainability
- Future developments around incentivisation



Renewable Electricity

- Current levels of renewable electricity generation are around 470 MW (mostly onshore wind)
- Approximately another 1000 MW in planning
- Small (but increasing) levels of others forms of renewable electricity generation
 - e.g. Anaerobic Digestion, Landfill Gas, Biomass
 - 70+ AD stations in the planning system



Northern Ireland Renewables Obligation (NIRO)

- DETI's main policy mechanism for incentivising renewables
- Introduced 1 April 2005
- Linked to ROs in Great Britain
- Legal requirement on Electricity Suppliers to source a specified and annually increasing proportion of the electricity supplied from renewable sources

ROC support for AD

- 1 April 2010 – revised ROC levels for AD:

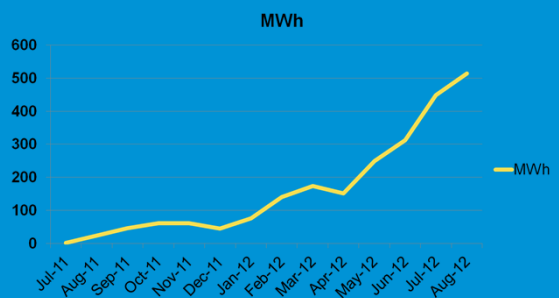
Up to 500 kW	4 ROCs/MWh
501 kW – 5 MW	3 ROCs/MWh

- Levels will remain unchanged until April 2014 – then subject to further review

Renewables Obligation Certificates (ROCs)

- Generating stations accredited with Ofgem
- ROCs issued for every MWh of electricity generated
- Eligible to receive ROCs for 20 years
- Remain on same ROC banding level for 20 yrs
- ROCs are tradable across the UK
- ROC value can vary – approx £40 - £45

AD performance



ROC Banding Review

- Focused on large scale (above 5MW)
- Large scale AD support reducing

Year of accreditation	ROC level (per MWh)
2013 – 2014	2
2014 – 2015	2
2015 – 2016	1.9
2016 – 2017	1.8

Biomass Sustainability and AD

- Animal manure and slurry excluded from:
 - the requirement to report on or comply with GHG and land criteria
 - the requirement to provide mass or volume consumed as part of the profiling report
- Non-waste biomass by AD plants, e.g. dedicated crops or crop residues, not exempt from the requirement to report on the GHG emissions and land criteria

Biomass Sustainability

- April 2011 – minimum 60% greenhouse gas emission threshold introduced
- Generators above 50kW must report on feedstocks
- Generators below 1MW – must report but not linked to ROCs entitlement
- Further consultation just issued by DECC

Future Incentivisation in NI

- As part of UK-wide Electricity Market Reform:
 - NIRO will close to new generation and additional capacity on 31 March 2017
 - NIRO end date extended to 2037
 - UK-wide Feed-In Tariff with Contracts for Difference (FIT CfD) will apply to large scale generation in NI (above 5 MW)

Small Scale Feed-In Tariff

- DETI taking enabling powers for a small scale FIT in new Energy Bill
- Will support incentivisation up to 5 MW
- To be introduced after 2015
- Structure and tariffs will be subjected to public consultation and legislative scrutiny
- ROC banding levels for small scale will be revised as part of the process

Further information

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