

# ENERGY STRATEGY E-BULLETIN

**ISSUE 4: SEPTEMBER 2020**

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## WELCOME TO THE ENERGY STRATEGY E-BULLETIN

Welcome to the fourth strategy update for stakeholders. This edition focuses on a topic of particular relevance as we move into the cooler days of autumn: heat.

The way we heat our homes is a major contributor to carbon emissions, particularly given the high proportion of homes which still rely on home heating oil. There are no single solutions to heating, and nor can we consider it in isolation from energy efficiency measures and the future electricity network.

In this bulletin we also outline some of the challenging questions around how we deliver a new energy strategy, through the implementation phase.



*Thomas Byrne*

**Thomas Byrne**  
Director, Energy Strategy

## KEY ISSUES ARISING IN HEAT

Officials and stakeholders on the Heat Working Group are currently considering key heat issues, with a view to developing policy options over the coming months. Our approach in this area will form a key part of the future Energy Strategy, as producing heat accounts for approximately half of our total energy consumption in Northern Ireland.

Decarbonising the heat sector will require a combination of reducing heat demand through energy efficiency investment, and reducing the carbon intensity of the remaining heat. The future Energy Strategy will set out a pathway and timeline for decarbonising heat, and the most effective way to measure progress between now and 2030, and subsequently to 2050.

The four work streams that have been agreed in this area are:

### ***The future of oil and solid fuels***

Issues in this work stream focus around considering the role of oil and solid fuels in the future, including the most cost-effective and sustainable steps government might take to accelerate the reduction of the carbon intensity of heating fuels.

### ***The future of the gas network, and decarbonising gas***

We will consider the future role of the gas network, as well as the opportunities for gas decarbonisation (including exploring the potential for hydrogen and biomethane injection).

### ***Renewable heat technologies***

The Working Group are considering whether there should be a renewable target for heat, and what support may be required to incentivise consumers to install low-carbon heating systems.

### ***Local heat solutions***

Responses to our call for evidence strongly support having a different approach for properties on and off and the gas grid. The Working Group are considering potential policy approaches in these areas, as well as the potential role of district heating and geothermal.

The future policy options for decarbonising heat are being considered by taking a holistic view of energy in terms of energy efficiency, power, heat and transport, whilst also considering the impact on society as a whole, and consumers individually.

## DELIVERY FRAMEWORKS FOR AN ENERGY STRATEGY

DfE is the Northern Ireland government's lead department in energy. It is responsible for providing the strategic vision for the future of energy in NI, as well as key aspects of the energy legislation. However, the cross-cutting nature of energy means that we have worked closely across government departments and local government to develop our strategy from the outset. We are encouraged by the commitment and collaboration from across all levels of government in this shared purpose.

It is clear that there is no one way to take forward a key strategic issue such as energy. Across these islands we see alternative approaches to policy delivery through departmental structures. One question in particular in the Call for Evidence addressed this issue head-on: question 46, which asked whether there could be improvements to the division of

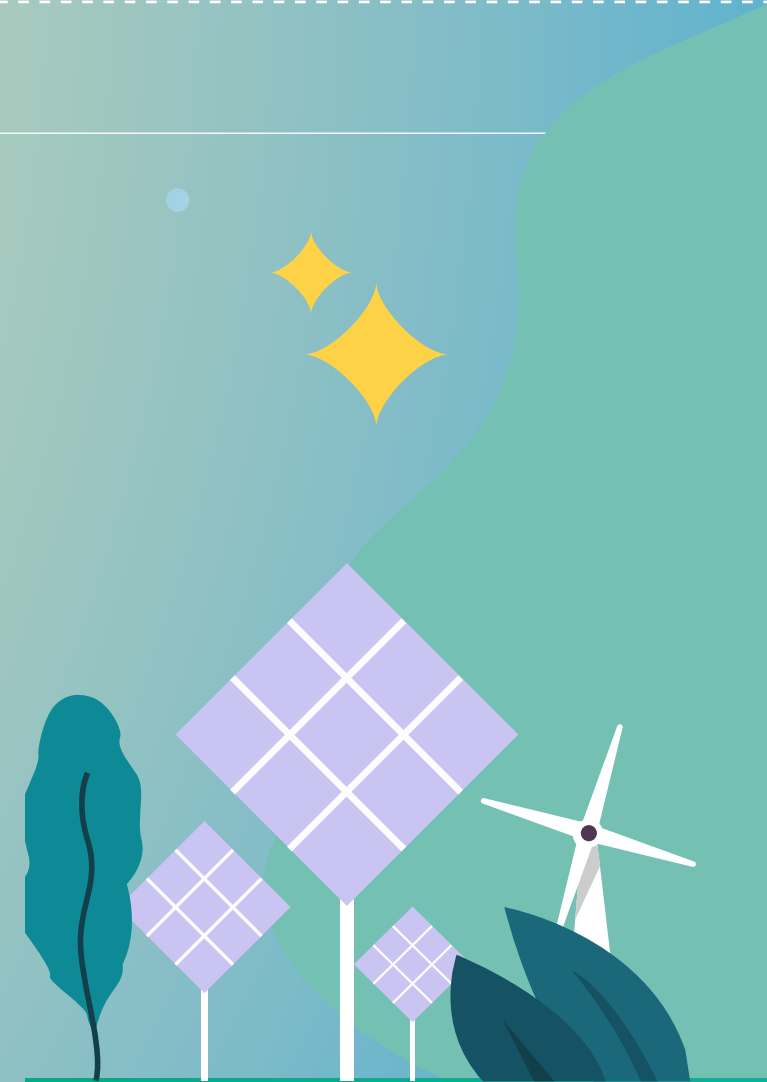
government responsibilities and powers in order to decarbonise energy.

### **Feedback through the Call for Evidence**

Responses to this question indicate that there are wide variety of views on the governance of energy and climate in Northern Ireland.

A large number of respondents believed that the existing division of responsibilities could be changed to increase government's ability to deliver policy objectives. Some specifically noted the separation of energy efficiency responsibilities across government as an area for improvement.

There were a range of suggested potential changes presented by respondents, although no single picture emerged of what would be considered optimal.



## DELIVERY FRAMEWORKS FOR AN ENERGY STRATEGY

The greatest emphasis was on the importance of coordination across all levels of government to deliver an Energy Strategy. However, there was a divergence of views on the best way forward. Some went as far as restructuring Departments, suggesting a new Department for Energy and Climate Change, Department for Energy or Department for Decarbonisation.

Some proposed that decarbonisation become the responsibility of The Executive Office, while others that an over-arching framework for decarbonisation be put into place to ensure Departmental delivery of decarbonisation across all sectors, not just energy.

### **Future research**

It is clear that this issue is an important one and there is no right or wrong answer. One valuable suggestion, which is already being taken forward, is a mapping exercise to illustrate the energy system powers and responsibilities in NI. There is a thinkpiece under development to map Energy and Climate governance in Northern Ireland.

This will be informed by discussions with other Departments and will likely lead to a further contribution to the debate around how best to deliver our energy strategy to 2050.

